FBIS DAILY REPORT

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BRODERSOHN VIEWS PARIS CLUB RENEGOTIATION

PY261734 Buenos Aires TELAM in Spanish 1406 GMT 25 May 87

[Text] Buenos Aires, 25 May (TELAM) -- Finance Secretary Mario Brodersohn, who this morning returned from France where he attended a Paris Club meeting, has said that the foreign debt renegotiation stage is over. He added that we are now considering domestic policy changes. At the Paris Club meeting, where Argentina's creditor governments are represented, Brodersohn managed to refinance a total amount of $2 billion.

Brodersohn emphasized that now it is important to make structural changes in Argentine economy to guarantee the country's growth, and to successfully cope with inflation.

Brodersohn made these remarks shortly after arriving at the Ezeiza International Airport on a regular Aerolineas Argentinas flight, which also brought the group of Argentine lawmakers who accompanied him.

The finance secretary recalled that the foreign debt negotiations began with talks with the IMF in January. This was followed by a $2-billion negotiation with the World Bank, by the renegotiation with the private banks -- which allowed for the rescheduling of $30 million [as received] and for the acquisition of almost $2 billion in fresh money -- and by the final stage, in which the rescheduling of almost $2 billion was negotiated.

He stressed that, contrary to what happened on previous occasions, all payments on principal and interest have been refinanced, adding that it is significant to have refinanced 100 percent of the interest.

Brodersohn reported that the first installment will be paid after the banks get their payment in 1992 and the government in 1993. He explained that this gives us time and the opportunity to work more calmly in this government, and in the next constitutional administration, because the renegotiation will remain in force almost until the end of the first half of the next administration.

AUSTRAL DEVALUED FOR FOURTH TIME IN MAY

PY221424 Buenos Aires TELAM in Spanish 1313 GMT 22 May 87

[Text] Buenos Aires, 22 May (TELAM) -- The Central Bank of the Argentine Republic (BCRA) today ordered a .75 percent devaluation of the austral in relation to the U.S. dollar. Consequently, the official purchasing price of the dollar is now 1.6040 australs per dollar and the selling price has been set at 1.6175 australs.

This is the fourth time that the BCRA has devalued the austral in May and the second time this week.

ARMED FORCES GRANTED EXTRA SALARY INCREASE

PY261814 Buenos Aires Domestic Service in Spanish 1600 GMT 26 May 87

[Text] An EFE news agency report states that it has been disclosed here today that the Argentina Government has approved a 9-percent salary increase for Armed Forces members. This is in addition to the salary increase granted to workers.

Government sources apparently told EFE that a presidential decree grants military officers a 9-percent salary increase, plus the 6-percent salary increase granted to all Argentine workers.

The salary increase for the military officers is backdated to last April and forms part of a government policy to try to improve the salaries of military officers.

This is the first salary increase granted by the government to the members of the Armed Forces following the crisis that occurred on Easter Week.

EFE states that this salary increase is given at the same time that the Argentine Congress is about to approve the Due Obedience Bill. This bill will pardon military officers accused of violating human rights during the so-called "dirty war."

COURT REPEALS ARREST OF FORMER POLICE CHIEF CAMPS

PY221709 Buenos Aires BUENOS AIRES HERALD in English 22 May 87 p 11

[Text] (NA-DYN) -- The San Martin Federal Appeals Court yesterday repealed the preventive arrest ruled against former Buenos Aires Police Chief Ramon Camps and former Police Officer Miguel Etchecolatz for their alleged involvement in the activities of a recently disbanded ultra-rightist terrorist gang.

The court considered that Moron Federal Judge Juan Ramos Padilla, who was responsible for the arrest, had not gathered enough evidence to prove that Camps and Etchecolatz were the leaders of the gang.

In related news, two cases against former social welfare minister Jose Lopez Rega were closed yesterday when the statute of limitations expired.

The cases were related to alleged fraud and the disappearance of furniture in the former Argentine Embassy in Rio de Janeiro, Brazil.

Court sources reported that the Cordoba Federal Appeals Court had suspended all human rights hearings because three noncommissioned officers who were summoned to testify on human rights charges this week did not show up.

Hearings will reportedly be resumed next June 1st, when retired General Gumersido Centeno is summoned to testify on human rights crimes committed at the La Perla clandestine prison.

Meanwhile, Cordoba Judge Gustavo Becerra Ferrer yesterday reportedly questioned Army Deputy Chief-of-Staff General Fausto Gonzalez, who was temporarily at the head of the Fourth Infantry Brigade and the Third Army Corps, under whose jurisdiction two insurrections took place last month.

The magistrate also extended the questioning of former Army Major Ernesto Barreiro in relation to the uprising he sparked at Cordoba's 14th Airborne Infantry Regiment.

The Supreme Court yesterday revealed that 65 serving and retired officers are indicted on charges of murder and torture in federal courts all over the country, and a total of 178 officers have been summoned to testify. The court obtained the figures from reports on the trials handed over by federal courts.

Lastly, the Army Command yesterday accepted the retirement of Colonels Luis Pedrazzini and Jorge Capitan, director of the Campo de Mayo Infantry School and deputy commander of the Tenth Armoured Infantry Brigade in La Plata respectively.

Pedrazzini requested his retirement immediately after former Lieutenant-Colonel Aldo Rico took over the Campo de Mayo school, while Colonel Capitan did so on account of his unit's refusal to fight the rebellious officers.

'SERIOUS' NUCLEAR ACCIDENT IN 1983 REVEALED

PY250015 Buenos Aires BUENOS AIRES HERALD in English 24 May 87 p 15

[Text] Cordoba (DYN) -- Ecologist groups yesterday demanded an explanation on news of a "serious nuclear accident" which took place in the Embalse nuclear plant near this city on June 30, 1983. The manager of the plant, Eduardo Diaz, denied there were any "radioactivity leaks to the atmosphere or any injuries during the accident," but admitted there had been "a faulty valve" in the system.

The Argentine Ecological Movement (MAE) reportedly picked up the information from the German magazine DER SPIEGEL. The latter described the accident as very serious and suggested there could have been grave consequences had the leak been discovered a few moments later than it actually was.

National Atomic Energy Commission (CNEA) President Emma Perez Ferreira had earlier called on the population to abandon common fears on the possibility of a nuclear accident.

During her first press conference as CNEA president, Perez Ferreira expressed surprise at recent news of the nuclear accident in Cordoba in 1983. She said the accident took place when the Embalse nuclear project was under the responsibility of West German suppliers.

FISHING AGREEMENT APPROVED, SOVIET SHIPS SAIL

PY232240 Buenos Aires DYN in Spanish 0246 GMT 23 May 87

[Text] Buenos Aires, 22 May (DYN) -- The Agriculture, Cattle Raising and Fishery Secretariat today approved an agreement complementary to the fishing cooperation agreement ratified last March in Moscow and signed with the USSR in July 1986.

In compliance with the terms of the agreement, 5 of the 18 Soviet ships anchored in Argentine ports were authorized to set sail. These ships departed for the south, where they will begin fishing in Argentine territorial waters.

In a communique, the secretariat has reported that "it has started the verification process required by the law. In so doing it is complying with the article that states that private complementary agreements on cooperation accords to be conducted as joint ventures [preceding two words in English] must be approved by the implementing organizations."

The Soviet campanies Sovryfnot and Sovhispan, and the Argentine Bajamar, Argepez, and Pesquera Argentina del Sur will take part in the joint fishing operations envisaged in the complementary agreement signed in Moscow. [Buenos Aires DYN in Spanish at 1542 GMT on 23 May in a similar report datelined Comodoro Rivadavia, Chubut Province adds: "The Soviet ship Ionova left Comodor Rivadavia Port late on the night of 22 May." It adds that "Six Argentine sailors and an expert from the Argentine Fishery Secretariat boarded the Ionova before it left Comodoro Rivadavia." The report also says "On 25 May, the Soviet ship Ritza will arrive at Comodoro, and from there it will leave for the South Atlantic to begin fishing operations."]

URUGUAY'S VICE PRESIDENT MEETS WITH MARTINEZ

PY211533 Montevideo Radio Carve in Spanish 0930 GMT 21 May 87

[Text] Uruguayan Vice President Enrique Tarigo and Argentine Vice President Victor Martinez met in the latter's office in the Senate in Buenos Aires.

At the end of the meeting, Tarigo told journalists that during his talk with Martinez they exchanged opinions regarding the strengthening of relations between the two nations, especially in the trade and economic sectors.

The two vice presidents also exchanged views on the incidents that occurred in Argentina over Holy Week and the current military situation.

The meeting between the two vice presidents took place after a secret Senate session over which Martinez presided. In this session, Defense Minister Horacio Jaunarena and State Intelligence Secretary Facundo Suarez reported on aspects of the Due Obedience Bill currently being debated by Congress.

Victor Martinez then hosted a dinner for his visitor in the Senate dining room. Representatives from the several Senate blocs were also invited.

BRIEFS

SPAIN GRANTS CREDIT -- Buenos Aires, 13 May (TELAM) -- Argentine Industry and Foreign Trade Secretary Roberto Lavigna has reported that the Spanish Government today granted Argentina a $130-million credit line so that small- and medium-size Argentine enterprises can purchase Spanish capital goods. Fifty million dollars will be reimbursed in 20 years, with a 5-year grace period, at an interest rate of 3 percent. The interest rate of the remaining $80 million will be 4.5 percent a year. [Excerpts] [Buenos Aires TELAM in Spanish 1756 GMT 13 May 87 PY]

SATELLITE GROUND STATION -- President Raul Alfonsin has decided to construct a ground station for the INMARSAT [International Maritime Satellite Organization] satellite system so that communications can be established with ships navigating the South Atlantic. [Text] [Buenos Aires Domestic Service in Spanish 1600 GMT 14 May 87 PY]

EGYPTIAN AMBASSADOR PRESENTS CREDENTIALS -- Buenos Aires, 21 May (TELAM) -- President Raul Alfonsin today recevied the credentials of the newly appointed Egyptian ambassador to Argentina, Hassan al-'Abadi. [Excerpt] [Buenos Aires TELAM in Spanish 0156 GMT 22 May 87 PY]

'WORKLOAD' DELAYS PRESIDENT'S TRIP TO U.S., FRG

PY261723 Paris AFP in Spanish 2255 GMT 25 May 87

[Text] Lima, 25 May (AFP) [dateline as received] -- It was officially reported here today that Bolivian President Victor Paz Estenssoro has delayed his visits to the United States and the FRG scheduled for June because of an excessive workload.

Paz Estenssoro was invited to the United States by President Ronald Reagan and to the FRG by President Richard von Wiezsaecker.

It is known that President Paz Estenssoro prefers to remain in the country to oversee the negotiations on Bolivian gas sales to Argentina and on the sea outlet to the Pacific Ocean with Chile. This subject is scheduled to be discussed with President Augusto Pinochet's government in the next few weeks.

It must be recalled that President Paz has also been invited by King Juan Carlos and Queen Sofia to visit Spain. The invitation was made during their recent visit to Bolivia.

BEDREGAL DENIES PAZ, ALFONSIN MEETING PLANNED

PY221810 La Paz La Red Panamericana in Spanish 1700 GMT 22 May 87

[Excerpt] Foreign Minister Gullermo Bedregal has denied press reports about an upcoming meeting between President Paz Estenssoro and Argentine President Raul Alfonsin. He maintained that no diplomatic mission has been undertaken to set up such a presidential meeting. [passage omitted]

DISAGREEMENTS OVER GAS SALES, DEBT WITH ARGENTINA

PY261904 Paris AFP in Spanish 1820 GMT 26 May 87

[Text] La Paz, 26 May (AFP) -- Bolivian Finance Minister Juan Cariago said today that Bolivia will ask the United States for its help in making Argentina pay its debt with Bolivia for the purchase of natural gas.

Cariaga said that the Argentine debt for 1986 reaches $26 million and it owes another $27 million for 1987, although it has yet to be decided whether the $27 million will be paid in dollars or in goods and services.

Cariaga reiterated that Bolivia will ask the United States to persuade President Raul Alfonsin's government to honor its debt with Bolivia to prevent the collapse of the Bolivian national budget, of which 30 percent comes from gas sales to Argentina.

The finance minister has, however, admitted that Bolivia owes Argentine banks about $600 million, but Bolivia has decided to give this debt the same treatment as the debt they have with the Paris Club. This has bothered the Argentine Government.

It is known that President Victor Paz Estenssoro has decided that negotiations with Argentina, to set new prices for gas, will be handled by Foreign Minister Guillermo Bedregal Gutierrez, thus relieving Finance Minister Cariaga of this task.

Bedregal Gutierrez had told the media that there is a trade imbalance between the two countries, since Bolivia sells gas to Argentina for $300 million per year, and Argentine sales to Bolivia are worth only $20 million annually.

In a veiled criticism of Cariaga, Foreign Minister Bedregal had said that the social aspect must not be forgotten or mishandled in the negotiations with Argentina.

'NEW COCAINE KING' FLORES UNDER INVESTIGATION

PY251906 La Paz La Red Panamericana in Spanish 1130 GMT 25 May 87

[Text] Colonel Freddy Reyes has told Panamericana that the National Narcotics Directorate has hard evidence against Jorge Flores Moises, who has become the new cocaine king in Bolivia. Col Reyes confirmed that Flores has an important position in drug trafficking circles.

During an interview with Panamericana, Col Reyes said that investigations on Flores are being conducted in Santa Cruz, Cochabamba, and Beni, where the traffickers center their operations, which are then expanded to the rest of the world. It has been discovered that Flores is not in Bolivia, although he has important contacts in the country that help him coordinate and carry out important business.

It was also learned that Flores was one of Roberto Suarez' bodyguards. Suarez, who is also out of the country, is also involved in drug trafficking.

BRIEFS

RELATIONS WITH SAO TOME -- La Paz, 17 May (AFP) -- The Bolivian Foreign Ministry today reported here that the Governments of Bolivia and the Republic of Sao Tome and Principe have established diplomatic relations through an agreement signed in New York. The agreement was signed by Jorge Gumucio Granier, the Bolivian ambassador to the United Nations, and by his Sao Tomean counterpart, Joaquin Rafael Branco. [Excerpt] [Paris AFP in Spanish 1513 GMT 17 May 87 PY]

COCAINE, CHEMICAL SEIZED -- In raids conducted throughout Bolivia this past weekend, the National Directorate for Controlling Dangerous Substances [DNCSP] and its specialized agencies seized a total of 99 kg of cocaine sulphate. In an area known as "El Once," in the Chapare region, 38 kg of hydrated cocaine sulphate were seized. In Chimore, 30 liters of sulphuric acid, 450 kg of bicarbonate [not further specified], 1,420 liters of kerosene, 20 liters of ammonia, 310 bags of lime, and 5,000 plastic bags were seized. In the town of Eteramazama, 40 kg of cocaine sulphate were also seized. In Chimore, in the "Bello Horizonte" colony, 5.5 kg of hydrated cocaine were seized. In Santa Cruz, 2.5 kg of cocaine, which were cleverly hidden in a false-bottom handbag, were seized during an inspection of railroad cars. In the La Colorada area 1.2 kg of cocaine were also seized. In Trinidad, Jorge Almaraz Arce was found to be in the possession of 0.9 kg of cocaine, which he intended to transport to Riberalta. Eleven kg of cocaine sulphate were seized in Guayamerin. [Excerpts] [La Paz EL DIARIO in Spanish 7 May 87 p 5 PY]

JUSTICE UNDER SECRETARY INSTALLED -- During a ceremony held on 13 May at the Interior Ministry, Dr Luis Alberto Alipaz Alcazar was installed as justice under secretary. Alipaz replaces Carlos Vargas Romero. [Excerpt] [La Paz EL DIARIO in Spanish 14 May 87 p 1 PY]

BANK PRESIDENT FORESEES PAYMENT RESUMPTION IN 1988

PY230334 Sao Paulo FOLHA DE SAO PAULO in Portuguese 22 May 87 p A 28

[Excerpts] The suspension of interest payments on the foreign debt should be maintained until the end of the year, Central Bank President Fernando Milliet said at the conclusion of the Second National Congress of the Brazilian Institute of Financial Executives (IBEF).

Milliet referred to the CITICORP decision to increase its reserves by $3 billion, and added that nobody expects a quick agreement between Brazil and private creditor banks. He said Brazil needs "to improve coexistence" with its creditors. He added that "it will be possible, beginning next year," to pay a considerable portion of our interest, since the 1987 trade-balance surplus could be as high as $9 billion. [passage omitted]

Yesterday, President Jose Sarney told a group of 16 French economic journalists that Brazil should "soon lay" specific proposals on the table in negotiations with foreign creditor banks. Sarney, however, discarded the possibility that Brazil will accept monitoring by the IMF. The meeting between the president and the French journalists were reported by the Planalto Palace press under secretary, Carlos Zarur.

BRESSER SAYS INFLATION EXCEEDS GOVERNMENT ESTIMATES

PY260204 Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 25 May 87

[Text] Brazilian Finance Minister Bresser Pereira today met with businessmen and industrialists in Belo Horizonte. The businessmen asked him to devise a plan to control inflation and provide more money for small business. The minister said that the new economic plan is almost ready.

[Begin recording] [Bresser] I am preparing a consistent microeconomic plan. There are no deadlines for this plan but I expect by next week we will be able to discuss it with the president and then approve it.

[Reporter] Do you rule out a price freeze?

[Bresser] A price freeze is absolutely out of the question.

[Reporter] What is the inflation rate the government is using as a working hypothesis?

[Bresser] We do not have a...[changes thought] Over the last 3 or 4 months inflation has been increasing very rapidly. Therefore, we are revising our estimated inflation rate. The inflation rate the government has been using as a working hypothesis was only 200 percent per year, but the actual figure will be higher than that. [end recording]

The minister also said that Central Bank President Fernando Milliet will meet with bankers tomorrow to seek ways and means to speed up the release of special loans for small businesses.

SARNEY ACCEPTS MINISTER OLIVEIRA'S RESIGNATION

PY230115 Brasilia Domestic Service in Portuguese 2200 GMT 22 May 87

[Passages within quotation marks recorded]

[Text] At 1530, Dante de Oliveira, chief of land related issues, met with President Sarney at the Planalto Palace and tendered his resignation. He said afterward that he is leaving the Cabinet with no resentment toward President Sarney, and that he always received support from the president.

[Oliveira] "I have no reason to resent President Sarney because he gave me support, solidarity, and friendship at all times. I leave with the same respect I have always had for the president."

Presidential Press Secretary Frota Neto later discussed President Sarney's reaction to Minister Oliveira's resignation.

[Neto] "The president received the minister's resignation and accepted it, recognizing that Oliveira had the right to resign whenever he deemed appropriate. In turn, Minister Dante de Oliveira recognized President Sarney's right to have a tightly knit team to pursue common objectives of government."

Fronta Neto added that the president has not yet chosen a replacement for Minister Dante de Oliveira.

[Neto] "President Sarney will now conduct negotiations on who will succeed Minister Dante de Oliveira, and will make his choice known at the appropriate time."

President Jose Sarney will spend the weekend at his Sao Jose do Pericuma farm near Brasilia. Today, he will meet with leaders of the Democratic Alliance to discuss the replacement for Minister Dante de Oliveira.

SUBCOMMITTEE VOTES FOR 5-YEAR PRESIDENTIAL TERM

PY251917 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 25 May 87

[Excerpt] The Constituent Assembly's subcommittee on the executive branch has approved, in a 16 to 7 vote, the amendment that establishes that President Sarney's presidential term will last 5 years. The subcommittee als decided that it is President Sarney's exclusive responsibility to choose military and civilian household ministers, as well as the foreign minister, without having to consult Congress. [passage omitted]

PMDB ASSEMBLY MEMBERS DEBATE PRESIDENTIAL TERM

PY220324 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 May 87 p 5

[Text] At the meeting of the PMDB [Brazilian Democratic Movement Party] bloc in the Constituent Assembly, held last night to define the party's position on the duration of President Jose Sarney's term in office, no decision was reached due to lack of a "quorum." However, it was quite clear that the party is irreparably divided. This division became obvious from the votes on a preliminary proposal by Deputy Cid Carvalho, from Maranhao, over the issue to be discussed during the national convention.

A total of 138 members supported the Constituent Assembly leader Mario Covas, and Senate leader Fernando Henrique Cardoso, who wanted to reach a decision yesterday. Eighty-eight members supported PMDB President Ulysses Guimaraes and Chamber of Deputies leader Luiz Henrique, who agreed with the proposal to transfer the discussion to the PMDB national convention called for during an executive board meeting.

The preliminary vote, requested by Cid Carvalho, showed the "moderates" (who wanted to give the bloc's support to the president's proposal to cut his mandate to 5 years) that they could not win the internal election, despite the optimism of leader Carlos Sant'Anna, who expected a victory because of the support President Guimaraes and Luiz Enrique gave the proposal. With the defeat in the preliminary vote, the "moderates" did not even need to bring up their proposal to an open vote to test their true power. With the defeat, the only option left was for them to leave the meeting so there would not be a quorum. The exit was led by Carlos Sant'Anna, the coordinator of Ceara State bloc; Expedito Machado of Minas Gerais bloc; Marcos Lima of Sao Paulo; and "moderate" Roberto Cardoso Alves.

Later, once the decision had been informally postponed for lack of a quorum, Expedito Machado said: "Its a poor show." Mario Covas' proposal for elections in 1988 -- thus reducing Sarney's presidential term to 4 years -- needs 153 votes to succeed; that is, one more than half the 305 PMDB members of the Constituent Assembly. The exit of the "moderates" and the informal postponement of the discussion of the issue decisively mark, to say the least, the bloc's division. This division could also result in the establishment of "partisan groups" independent of the leadership. By 2100, government leader Carlos Sant'Anna asserted that there was not a quorum for the deliberations. But the leaders of the group that oposes Sarney's proposal for a 5-year presidential term, Mario Covas and Fernando Henrique Cardoso, still tried to encourage some of their partisans although they were aware of the true situation. Covas asserted: "We are not going to leave. We cannot lose hope that we will decide everything today."

Despite the lack of a quorum during the second half of the meeting, Mario Covas, Fernando Henrique Cardoso, Pimenta da Veiga, Antonio Britto, Miro Teixeira, and others who support the 4-year mandate said that the bloc had reacted "politically."

Mario Covas said: "We cannot control the quorum. However, there was a positive political response." In Fernando Henrique Cardoso's opinion, the postponement for lack of quorum might liven up the partisan atmosphere, creating conditions for negotiations between the PMDB and Planalto Palace before the national convention scheduled for 13-14 June. Fernando Henrique Cardoso said, "this would be less feasible if a motion to postpone the decision had been approved. The PMDB has once again examined the possibility of a 4-year presidential system and a 5-year mixed presidential system."

Although they did not have the necessary quorum, the leaders who last night wanted to decide on the party's position regarding Sarney's mandate and the type of government took a vote among those left at the meeting. A total of 93 voted for a parliamentary system, 34 for a mixed system, and only 9 for a presidential system.

ARMY COMMANDER ADVOCATES BROAD POLITICAL ACCORD

PY261700 Buenos Aires TELAM in Spanish 0149 GMT 26 May 87

[Text] Brasilia, 25 May (TELAM) -- Acting as an interpreter for the Brazilian Armed Forces commanders, Brazilian Armed Forces Chief of Staff General Paulo Capos Paiva today demanded a political agreement that could lead to realistic solutions for the crisis the country is experiencing.

He is seeking an agreement that could avoid political retrogression and strengthen the state of law.

Campos Paiva advocated a broad accord with the participation of various institutions and sectors of Brazilian society. He said: "The situation in our country compels us to stop and reflect, because otherwise it would be even more difficult to cope with the current difficulties."

He remarked that "the country's development, stability, and private initiative are being threatened. So is the salary level of 2,000,000 workers, whose basic needs must be met."

"This is the best time to think not only in the national interest but also in the people, two concepts that can at times cause confusion. We must preserve the stability and the state of the law," he said.

"Any agitation must be met by force. This means a retrogression. When violence exacerbates the spirits, efforts must be made to preserve the state of law," Gen Paiva stressed.

PARAGUAYAN CONSUL ACCUSED OF SMUGGLING SOYBEANS

PY251733 Madrid EFE in Spanish 0129 GMT 25 May 87

[Text] Curitiba, 24 May (EFE) -- The daily FOLHA DE LONDRINA has reported that Justo Eris Almada, Paraguayan consul to the Brazilian town of Paranagua, has threatened to kill a group of reporters who have accused Almada of involvement in soybean smuggling in Brazil.

According to press reports, Almada, who was urgently recalled by the Paraguayan Foreign Ministry, threatened reporter Maria do Carmo Catiston inside the Curitiba Government Palace, where Governor Alvaro Dias had received Paraguayan Foreign Minister Carlos Augusto Saldivar.

The FOLHA DE LONDRINA has accused Almada, who has been Paraguayan consul to Paranagua for the last 14 years, of illegally bringing Paraguayan soybeans to Brazil, and of irregularities in the packing and handling of containers which carry import and export goods from Asuncion to Paranagua Port.

In view of the charges, which accuse Almada of conducting smuggling operations, the Parana State courts have ordered an investigation of Almada's property.

Consul Denies Charges

PY261820 Asuncion HOY in Spanish 26 May 87 p 7

[Text] Justo Eris Almada, administrator of the Paranagua Freeport, has been charged by some in the Brazilian media with being allegedly responsible for smuggling soybeans. According to information disclosed by some press agencies, Almada reacted angrily against a journalist of FOLHA DE LONDRINA, of Parana State, who had made charges against Eris Almada.

However, in a statement to the media on the incident Justo Eris Almada said that nothing had happened. He added that reports published by FOLHA DE LONDRINA were "unfounded, ill-intentioned, and of a strictly political nature, because there are documents and vouchers that will prove this is pure lies."

Almada also said that the charges of being involved in contraband is a political campaign because many Parana State government employees do not conceal their opposition to the Paraguayan Government.

The problem affecting the Paraguayan consul created a real scandal last week, just as Foreign Minister Carlos A. Saldivar was visiting Parana State. The subject was brought up on that occasion by the Paraguayan ambassador. Almada said that smuggling through Paranagua port is impossible since Brazilian authorities are in charge of controlling the shipments and that the investigation will prove that the charges are unfounded.

GOVERNMENT WILL NOT BUILD MORE NUCLEAR PLANTS

PY261858 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 26 May 87

[Text] The Brazilian Government does not intend to begin building any new nuclear plants within the next few years. This statement was made by Camilo Penna, president of the Brazilian Furnas Electric Power Plants, Inc. [FCE], who said that the conclusion of the construction of nuclear plants Angra II and Angra III is expected by the end of 1994.

Reporter Leonard Oliveira has further details on the subject.

[Begin recording] [Oliveira] The decision to continue the Brazilian nuclear program is restricted to the completion of the Angra II and Angra III nuclear plants, scheduled for 1992 and 1994, respectively. This report was released by FCE President Camilo Penna, following the presidential decision to complete the plants currently under construction.

[Camilo Penna] President Sarney has already made the decision to continue the nuclear program, which includes the conclusion of the construction of Angra II and Angra III. After that, Brazil will not begin to build any other nuclear plant. The general consensus is that what is under construction must be concluded. This construction is in a very advanced stage. In the case of Angra II, for example, 75 to 80 percent of the work has been completed, while in the case of Angra III, 50 percent of the work is finished. So, there is no sense in abandoning them. They will be completed and they will be very important for our nuclear program.

[Oliveira] On stressing the importance of the Brazilian atomic program, Camilo Penna said that the power produced by Angra I at full power has prevented a total blackout throughout the state of Rio de Janeiro over the past few days, following the collapse of transmission lines in the southern part of the country.

Camilo Penna added that Angra I has been working at full power over the past 2 months within the international standards of quality. [end recording]

BRIEFS

PETROBRAS PIONEERS METHOD -- Petrobras has implemented a pioneer method in the country for the recovery of petroleum wells. It consists of the daily injection of 600 tons of carbon dioxide at high pressure into the hydrocarbons reservoirs of the wells. Through this system Petrobras plans to recover over 14 years 5.3 million barrels of oil from the Aracas region, Bahia State. [Text] [Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 26 May 87 PY]

PRC'S WU XUEQIAN TO MAKE OFFICIAL VISIT IN JUNE

PY261911 Santiago Domestic Service in Spanish 1700 GMT 26 May 87

[Text] PRC Foreign Minister Wu Xueqian will preside over a high-ranking PRC delegation that will pay an official visit to Chile 13-17 June.

This information was disclosed through an official communique issued by the Chilean Foreign Ministry which notes it is the first visit of such a high-ranking PRC official to Chile. The communique states that the visit falls within the framework of the cordial relationship between the two countries.

Wu Xueqian is a member of the State Council, the Politburo, and the CCP Executive Board. During his stay in Chile, Wu Xueqian will be received in a special audience by President Augusto Pinochet. He will also hold a working meeting with Foreign Minister Jaime del Valle during which they will discuss current international issues and will review the development of bilateral relations.

The PRC foreign minister will be accompanied by a retinue formed by PRC Foreign Ministry officials among which are the director of the American and Oceanian Affairs Department, the director of the South American Affairs Department, and a ministry adviser.

DAILY REPORTS ON PINOCHET'S WISH TO STAY IN POWER

PY261807 Madrid EFE in Spanish 1517 GMT 25 May 87

[Text] Santiago, 25 May (EFE) -- The newspaper LA EPOCA today reports that President Augusto Pinochet wishes to stay in power longer than 1997, and to achieve this he will present his candidacy in a plebiscite next year.

The newspaper states that the announcement of Pinochet's candidacy was made by Minister Secretary General of Government Francisco Javier Cuadra behind closed doors during a conference he gave to 70 youths in the Government Junta building. According to the 1980 Constitution, the current Chilean Government team should expire on 11 March 1989.

At least 60 days before the expiration date, the four commanders of the Armed Forces (Army, Air Force, and Carabineros) will have to appoint a candidate which will be submitted for approval in a national plebiscite. If this candidate is approved by the plebiscite, he will govern as president for an 8-year term. However, according to the Constitution, if the candidate is not approved in the plebiscite, the current government term will be extended by 1 year, after which a new candidate will be elected in general elections.

The Chilean opposition sector believes the Armed Forces candidate will be General Pinochet, who is believed to wish to perpetuate himself in power. Observers say this general belief has been confirmed by the regime itself, and by one of its most important spokesmen: Minister Cuadra.

According to what Cuadra has allegedly said, "the plebiscite will take place before the current government term expires, as specified by the Constitution."

The minister did not speak about the process of choosing an Armed Forces candidate, "but it was clear that General Pinochet may be the candidate for the plebiscite." When a young man asked Cuadra to explain further this point, "Cuadra confirmed that General Pinochet will be a candidate to govern for 8 more years, until 1997."

According to LA EPOCA, Cuadra's conference took place behind closed doors to a group of 70 youths "selected by the government to listen to a conference about the current and future direction of the official policy." The newspaper says that the group of youths was made up of "recent high school graduates and some university freshmen."

AIR FORCE CHIEF OF STAFF VIEWS MATTHEI'S REMARKS

PY270142 Santiago Radio Chilena in Spanish 2300 GMT 26 May 87

[Text] General Matthei has not said anything about his own participation or that of the Air Force in the government after 1989. This remark was made by Air Force Chief of Staff General Pablo Saldias, who also said the report the Spanish daily EL PAIS published on the subject was merely the newspaper's interpretation of Gen Matthei's remarks. When the journalists asked him about the subject, Gen Saldias said:

[Begin Saldias recording] Regarding recent news media reports, I would like to explain to all of you that during his recent visit to Spain and in his statement to the newspaper EL PAIS, Gen Matthei said nothing about his own participation or that of the Air Force in the government after 1989. Just by reading the report one can see it is merely the newspaper's interpretation of the general's remarks. [end recording]

Gen Saldias added it should be pointed out that the unity of the Armed Forces is unshakable and any effort to divide them would be useless.

[Begin Saldias recording] On the other hand, the loyalty of the Air Force to the government and to his excellency the president is also unshakable and any effort to divide us or to sow discord among us will be useless. [end recording]

Gen Saldias also mentioned remarks attributed to Air Force School Director, Colonel Joquin Urzua. According to reports, Col Urzua stated Gen Matthei has repeatedly said the Air Force will not remain in the government after 1989. These reports added that the Air Force School director had also said there will be elections in 1989, after which it will be unnecessary for the Air Force to participate as a member of the Government Junta because the Junta will no longer exist.

Gen Pablo Saldias said he had telephoned Col Urzua to ask him about these remarks and that Urzua denied having made them. Since he is an Air Force officer, I believe him, the Air Force chief of staff emphasized.

Remarks Clarified

PY260230 Santiago Radio Chilena in Spanish 2300 GMT 25 May 87

[Text] Colonel Octavio Mardones, chief of the Air Force Public Relations Office, has stated that the remarks made in Spain by General Fernando Matthei, commander in chief of the Chilean Air Force [FACH], were distorted by Spanish newsmen.

It should be noted that the press quoted Matthei as saying the Chilean Air Force will withdraw from the government in 1989.

According to Col Mardones, what Gen Matthei said in Spain was that he will be in the government until 1989, when he will retire to allow for the promotion of another officer. The new commander, Mardones said, will lead the Air Force and will continue to support the government.

Mardones made it clear that the problem stemmed from the distortion of Matthei's remarks in Madrid, where it was stated that the FACH will withdraw from the government in 1989.

Mardones added that Matthei has been in Madrid on a private visit with his wife and with his aide-de-camp, spending a few days of annual leave.

RADICAL DEMOCRACY PARTY OFFICIALLY RECOGNIZED

PY231455 Santiago Domestic Service in Spanish 1030 GMT 23 May 87

[Excerpts] The OFFICIAL GAZETTE has published excerpts of the resolution creating the Radical Democracy Party. This is the third group which, after complying with the legal requirements has been officially recognized. The two groups previously recognized are the National Renewal Party and the National Party.

The Radical Democracy Party's slogan is: A centrist part with roots in history to serve the future of Chile. Its symbol is two half figures of a condor linked by a triangle with the leters DR on a blue field.

The temporary executive board is made up of (Jaime Torment), chairman; (Erindas Roch), deputy chairman; Rafael Otero Echeverria, secretary general; and (Emilio Edwards Guandarilla) [title indistinct] [passage omitted]

'KEY MAN' DETAINED IN SMUGGLED ARSENAL CASE

PY262103 Madrid EFE in Spanish 1714 GMT 25 May 87

[Excerpt] Santiago, 25 May (EFE) -- Chilean police have detained and placed at the disposal of the military court a person considered to be "the key man" in the trial being conducted in the case of the clandestine storage of almost 30 tons of weapons and explosives earmarked for the extreme left.

The military prosecutor in charge of the case, Fernando Torres Silva, today stated "this individual is an extremely interesting person, directly involved in the smuggling of weapons," but Torres declined to provide his name.

The prosecutor added that the suspect was detained in the town of Ovalle, 411 km north of Santiago, by agents of the National Intelligence Center (CNI, political police). [passage omitted]

ADMIRAL MERINO SAYS USSR BEHIND TERRORIST GROUPS

PY270259 Santiago Radio Chilena in Spanish 2300 GMT 26 May 87

[Report by Nelly Yanez]

[Text] All terrorist groups receive orders from the Soviet Union and are part of Moscow's policy to destabilize governments, according to Navy Commander in Chief, Admiral Jose Toribio Merino. This was the admiral's comment about the report of Investigative Police Director General, General Fernando Paredes, that the MIR [Movement of the Revolutionary Left] and the FPMR [Manuel R driguez Patriotic Front] are part of an international terrorist network directed from the Soviet Union, Libya [as heard], and Cuba.

[Begin recording] [Merino] I have said a thousand times that all terrorist groups are directed from the Soviet Union.

[Reporter] Who is behind all this?

[Merino] Cuba and Nicaragua, which are pawns in Moscow's policy to sow disorder in the country to destabilize or overthrow the government. [end recording]

Adm Merino refused to discuss any other issues. During today's session the Government Junta approved the new labor code.

TERRORIST ARSENAL DISCOVERED IN SANTIAGO

PY231452 Santiago Domestic Service in Spanish 1030 GMT 23 May 87

[Text] Security force personnel have discovered a terrorist arsenal consisting of high-powered explosives and ammunition that subversives succeeded in distributing before they were seized in Carrizal Bajo, in the Third Region. The security personnel found the weapons in the basement of an old, uninhabited house being demolished at 620 San Francisco Street, in Santiago.

The cache included three bombs, dynamite, three Vietnamese bombs [tortas de bomba Vietnamitas], four plastic explosives [conos plasticos], eight homemade grenades, and five fuses. Several bullets for M-16 rifles and automatic submachineguns also were found.

BRIEFS

COLLEGE GETS NEW AIRCRAFT -- As of yesterday, the Capitan Avalos Aviation College has new Chilean-made T-35 Pillan aircraft for training future pilots of the Chilean Air Force. These new planes will replace the T-34 Mentors that have been used by this institution since it was created 33 years ago. [Summary] [Santiago Domestic Service in Spanish 1030 GMT 26 May 87 PY]

NATIONAL PARTY CHOOSES OFFICERS -- During a convention at the Fernandez Concha Club in Santiago last weekend, the National Party elected Patricio Phillips as its president. German Riesco, Silvia Alessandri, and Silvio Rodriguez were elected vice presidents. (Tomas Fuchs) was elected secretary general and Jose Luis Infante treasurer. [Excerpt] [Santiago Domestic Service in Spanish 1030 GMT 18 May 87 PY]

BORGE DENIES FSLN INVOLVED IN DRUG TRADE

PA261510 Madrid EFE in Spanish 0016 GMT 26 May 87

[Text] Bogota, 25 May (EFE) -- Nicaraguan Interior Minister Tomas Borge said today in Bogota that it is "revolting" to link the Sandinist government to drug trafficking, and he denied that his country is training or arming Colombian guerrillas.

"If Nicaragua were trafficking tons of cocaine, its economic problems would be solved. We would not even deal with a few grams," Borge said. He described the accusations made in this regard as "revolting, ridiculous, stupid, and evil."

Regarding accusations that Nicaragua supports Colombian guerrillas with training and weapons, Borge said: "That is absolutely false," because "my country has never trained or given arms to any Colombian movement, or to any movement from any other country."

Asked by radio network RCN [Radio Cadena Nacional] if there were any Colombian guerrilla leaders in Nicaragua, Borge positively denied that, adding that "only a few M-19 [19 April Movement] leaders such as Jaime Bateman during his time had made stopovers enroute to Panama."

Asked repeatedly whether any FARC (Revolutionary Armed Forces of Colombia) leaders were in Nicaragua, Borge responded: "I do not believe so; I do not know if any of them are there."

Borge arrived in Bogota today to participate in a meeting of the Permanent Conference of Latin American Political Parties (COPPAL), which is meeting in this capital for 2 days to study the Central American situation and efforts at pacification.

Attending the meeting along with Borge are other Latin American politicians, among them Guillermo Ungo of El Salvador, currently exiled in Panama; German Sanchez Otero of Cuba; and Pompeyo Marquez, vice president of the Venezuelan Senate.

The conference was called by the Colombian Liberal Party, a spokesmen of which today informed EFE that the politicians who have confirmed their attendance are for the most social democrats and left-wing democrats.

DAS REORGANIZED, SPECIAL COMMANDS CREATED

PA250439 Bogota EL TIEMPO in Spanish 19 May 87 pp 1-A, 6-A

[Article by German Acero E.]

[Text] Yesterday, General Miguel Alfredo Maza Marquez, director of the Administrative Department of Security [OAS], said the government has reorganized the DAS and created security, antiterrorist, and anti-explosives special commands as well as intelligence centers in Cali, Cucuta, Medellin, and Bogota.

During the inauguration of a DAS security summit in Bogota attended by all directors of sections from the entire country, President Virgilio Barco said "it is absolutely necessary to improve the DAS to reach the climate of security this administration is determined to achieve."

Addressing the high-ranking members of the main government security agency, Barco said that in order to reach peace, "we require a special devotion and a great effort from you, the people responsible for identifying the factors and the agents attacking the public order."

Barco added that "the government believes it is necessary to take actions that benefit the most vulnerable segment of the population due to the state of violence some regions are experiencing. Not only will we act on the cases dealing with people with the highest official and social ranks, but also those concerning peasants and laborers."

During a dialogue with EL TIEMPO, Gen Maza Marquez said that among the reforms to be made in the DAS are the professionalize detectives through instruction courses and training at the Aquimindia School in Suba.

The intelligence headquarters, which is being directed by a retired colonel, will, in the future, have four special sections in Cali, Cucuta, Medellin, and Bogota to intensify state security operations due to increasing terrorism and armed subversion. Basically, this division will take care of the political, social, and economic strategies against which the terrorist and subversive groups operating in the country direct their actions.

The DAS will also have, independently, a large escort division which will be in charge of the security of some officials in the country, such as judges and some left-wing political leaders, including those in the Patriotic Union.

Maza Marquez explained that this operational unit will have an independent budget and structures, and it is expected that the number of escort members will increase from the anticipated 700 to 2,100 agents, who will work in several cities in the country.

The DAS Judicial Police Corps will also have special motorized support groups, modern communication devices, and weapons. Regarding antiterrorist operations, the commands will be instructed using the experiences of other countries such as the United States. According to Maza, this has already been implemented. Two officers traveled to France to receive instructions and training on new operational techniques from Interpol.

This reorganization plan also encompasses the modernization of the anti-explosive, antikidnapping, and anti-extortion and blackmail groups, which will be assigned to the GRAES [Anti-Extortion and Kidnapping Group] and GRUES [expansion unknown].

Gen Maza emphasized that in June the DAS headquarters in the San Andres archipelago and Providencia will be inaugurated, which will significantly support maintaining national security in the Caribbean.

In his speech, Barco said the objective of the summit is to analyze DAS progress and to review its procedures to continue directing its actions within the strict limits of honesty and compliance with the laws.

Barco emphasized that "the intelligence services are a formidable instrument for the prevention and consolidation of domestic and foreign security. Therefore, [the DAS] has the enormous responsibility of providing information on the public order because, based on such information, the presidency can make a diagnosis of the situation."

"This is a good opportunity for announcing to the country my government's plans to make substantial modifications to the DAS' structure, duties, and organization," Barco added.

"The most accurate definition of the duties of the central security agency is: they are responsible for getting information and reporting it to us, which will permit us to sustain the decisions the government takes to preserve the security of the institutions and thus guarantee the welfare of all."

Speaking about the DAS reforms, Barco said: "First, I believe it is necessary to separate the systems for searching, collecting, and processing information from the mechanism of evaluation and analysis, because the latter are part of the decisionmaking process of those of us who have the constitutional duty to maintain the public order and apply the measures for protecting and reestablishing it. A modern organization, integrated at the highest technical and administrative level, will be in charge of collecting the information obtained through the diverse means of official intelligence, will evaluate the content of the information, and will recommend the actions that should be taken in the political, economic, police, or military order. The use of techniques such as computers and advice from experts in evaluating alternatives has permited other nations to overcome situations in which the threats against the [public] order had origins so diverse and complex that without the use of the information resources human minds would have been insufficient."

Barco insisted that "these reforms complement those already made in the judicial police files, which aim at greater efficiency and eliminating duplications that are obvious on many occasions and which have prevented the expansion of the coverage of civil protection or the improvement of the instruments for the administration of justice."

"Naturally, we will also introduce changes in the operational sector of the department, with additional administrative measures such as creating a planning office and a system office, expanding the academies and the training and specialized schools, and preparing a special statute for its members," Barco announced.

Barco emphasized that he "wants to point out the enormous significance of the [DAS] mission in these difficult times. Only by the total devotion to your work -- avoiding staining it with selfish actions, greed, or venality -- can we expect better results."

OFFICIAL DISCUSSES OIL EXPLOITATION, NEW PIPELINE

PA230312 Quito Voz de los Andes in Spanish 1130 GMT 22 May 87

[Interview with Fernando Santos Alvite, deputy minister for natural resources and energy, by unidentified reporter; date, place not given -- recorded]

[Text] [Announcer] Fernando Santos Alvite, deputy minister for natural resources and energy, has asserted that reports about alleged overexploitation of oil fields are politically motivated.

[Santos] As we have said on several occasions, this alleged overexploitation exists only in the minds of politicians. I want to emphasize that no technician, oil engineer, or reservoir engineer has referred to such overexploitation. Overexploitation has been charged by politicians with an evident interest in getting votes, but there is no scientific basis for the reports. The Hydrocarbons Directorate [Direccion de hidrocarburos] has set the ceilings on the basis of parameters accepted by the oil industry worldwide. We have not exceeded and will not exceed these parameters or ceilings.

[Reporter] Are there any reports about the beginning of the operation which will send Ecuadoran oil through Tumaco, which was slated for today?

[Santos] Well, I understand that the CEPE [Ecuadoran State Petroleum Corporation] manager, CEPE executives, and ministry officials will leave today in the morning for Tumaco, where a ceremony will be held and Ecuadoran oil will be loaded on a [word indistinct] ship for transportation to the Esmeraldas refinery. As you know, this work entails extensive coordination between Ecuador and Colombia and will be very useful to us because we will have crude to process internally and to meet the country's needs.

[Reporter] In view of the country's difficult situation, have there been any offers for the exportation of Ecuadoran oil?

[Santos] No. All companies that have long-term contracts with Ecuador have told us they want to continue having CEPE as a client and they realize our case involves an act of God. These are very serious and solvent clients and we are very grateful to them. We highly appreciate our relations with them and, as I said, their reaction in this emergency has been very positive. They have told us they are going to wait for the flow of oil to return to normal so we can make the shipments to them. We have not lost any clients.

[Reporter] Regarding the reconstruction of the Ecuadoran oil pipeline, are all phases being completed on schedule?

[Santos] Everything is being done on schedule. As we have reported, we believe we will be able to resume the normal flow by August. [end recording]

AIR FORCE RECEIVES 5 SOVIET TRANSPORT PLANES

PY270117 Paris AFP in Spanish 2302 GMT 26 May 87

[Text] Lima, 26 May (AFP) -- Military sources reported that Peru has received 5 of a total of 22 Antonov-32 military transport planes ordered from the Soviet Union by the Peruvian Air Force.

The Antonov-32 planes cost $4.5 million each and they are more modern than the An-22 and An-22 models purchased from the USSR in the last decade.

The sources said that Peru ordered the Antonov-32 planes after selling Cuba an undisclosed number of Antonov-26 models at $1 million each.

It has been reported that Cuba entered the triangular operation because it was interested in the used but still operational An-26 planes when Peru was seeking financing for the new An-32 planes.

No Peruvian authority has agreed to officially comment on the purchase of the An-32 planes. In addition to transport aircraft, the Peruvian Air Force has Sukhoi-22 fighters and various models of Soviet-made MI helicopters.

AIR FORCE PURCHASES 20 TUCANO PLANES FROM BRAZIL

PY270304 Paris AFP in Spanish 0010 GMT 27 May 87

[Text] Lima, 26 May (AFP) -- It was confirmed here today by military sources that Peru has purchased 20 Tucano planes from Brazil to fight guerrillas and drug traffickers, and to train Air Force pilots.

The transaction, which was concluded by the Peruvian Air Force with the Brazilian Aeronautics Company, amounts to $32 million. The sources added that 10 planes may have already been received.

The Peruvian Air Force did not confirm or deny this purchase.

Negotiations for this purchase, which started more than a year ago, concluded recently, the sources said.

It has been reported that this contract is regarded as a military secret.

STATE OF EMERGENCY EXTENDED IN 17 PROVINCES

PY262343 Madrid EFE in Spanish 1616 GMT 26 May 87

[Text] Lima, 26 May (EFE) -- The government today extended the state of emergency in 17 Peruvian provinces for 60 days due to the state of disturbance to public peace existing in those provinces.

According to a decree published in the official daily EL PERUANO, the state of emergency suspends individual rights and establishes an Armed Forces political and military command in the zones affected by the decree.

Eight of the affected provinces are in Ayacucho Department, seven in Huancavelica Department, one in Apurimac Department southern Peru, and one in Huanuco Department in the northern Peruvian jungle.

Individual rights have also been suspended in Lima and its port El Callao, where a curfew is also in force.

Approximately half of the Peruvian population, totaling some 10 million people, is currently living under the state of emergency.

POLICE BREAK UP DRUG RING IN NORTHERN JUNGLE

PY252235 Paris AFP in Spanish 1918 GMT 23 May 87

[Text] Lima, 23 May (AFP) -- Peruvian authorities reported today that a powerful gang of drug traffickers was broken up yesterday by the police, who confiscated an arsenal of sophisticated weapons and arrested 12 henchmen linked to the Colombian mafia.

It is believed that among the prisoners are the killers of a captain of a garrison of the Mobile Units for Rural Areas (UMOPAR) and of a Civil Guard member, who was murdered 48 hours earlier. These killings occurred during attacks launched by cocaine traffickers in a region where the production and marketing of cocaine is flourishing, the source said.

The 12 henchmen were captured in a clandestine camp in a jungle area near Uchiza, Tocache Province, San Martin Department. According to local police sources, a large arsenal containing automatic rifles, machineguns, pistols, and explosives was seized from the traffickers. The police did not specify, however, the number of weapons.

Nearly 100 Civil Guard personnel armed with powerful rifles and automatic weapons participated in this surprise operation.

Clashes and murders are commonplace in this region where several groups are waging all-out war among themselves: Drug traffickers against drug traffickers, terrorists against drug traffickers; and drug traffickers against cocaine growers; or vice versa. According to police, two agents were murdered and one wounded in recent fighting.

Captain Manuel Lauri Roca, chief of an UMOPAR garrison, was murdered by presumed drug traffickers who cut his throat and shot him three times in the township of Uchiza on 20 May.

Eduardo Cruz, a 25-year-old agent, was murdered 24 hours later in an ambush near Urchiza by drug traffickers against a patrol that was pursuing the murderers of Capt Lauri. Corporal Augusto Pajuelo was also seriously wounded in the attack.

According to a spokesman, the police forces led by Colonel Carlos Santander are well-armed, have been reenforced, and have instructions to operate permanently in the region. They have expert guides to avoid ambushes, and the gangs of drug traffickers have retreated deeper into the jungle.

Police did not disclose the names of the 12 henchmen linked to the Colombian mafia, who will be moved to Tingo Maria, 520 km east of here. Police announced, however, that 50 suspects or undocumented people were also arrested.

Zenon Ramos, a prosecutor from the Leoncio Prado Province, told the press a few days ago that between 3,000 and 5,000 kg of cocaine paste are being shipped monthly from this region to refining centers in Colombia on daily flights by small planes landing at clandestine air fields in the Amazon jungle.

CONGRESS TO DISCUSS TERRORIST 'REPENTANCE BILL'

PY270001 Paris AFP in Spanish 1638 GMT 26 May 87

[Text] Lima, 26 May (AFP) -- Justice Minister Carlos Blancas announced today that the National Congress will debate a repentance bill [ley de arrepentimiento], which includes reduction of sentences and pardon for terrorists who abandon the subversive struggle in Peru.

He added that President Alan Garcia has long been worried about the urgent need for such a law within the framework of the new antiterrorist strategy in Peru.

According to the Peruvian Government, the repentance bill is based on a similar law in Italy, and on the special consideration given by French and FRG courts to extremists who leave terrorist gangs.

The bill was approved by the executive branch, and it will be sent to Congress for debate and quick enactment.

Minister Blancas has said the government hopes the new law will reduce terrorism significantly. According to police estimates, terrorist activities have caused more than 9,000 deaths over the last 7 years, most of them attributed to the Maoist Shining Path.

Blancas concluded by saying that the repentance law will seek the pacification of the country and an end to the destruction caused by terrorism.

MRTA CLAIMS RESPONSIBILITY FOR 19 MAY BOMBINGS

PY211730 Paris AFP in Spanish 1752 GMT 20 May 87

[Text] Lima, 20 May (AFP) -- Urban MRTA [Tupac Amaru Revolutionary Movement] terrorists today claimed responsibility for blowing up four state-owned buses in an action designed to express support for the nationwide stoppage held yesterday in Peru. The strike was held to protest the high cost of living.

Simultaneously, authorities have reported that three bank offices and a government office were dyanmited last night in Lima. A government office and an inn were also targets of dynamite attacks in the port of Chimbote, northern Peru, where police also defused a car bomb yesterday.

The destruction of the buses has not been confirmed by police. However, an MRTA pamphlet published by the leftist newspaper CAMBIA, states that the attacks were carried out on the night of 18 May at the end of a 4-day police strike and on the eve of a nationwide stoppage.

The buses were blown up at bus stops located in Villa El Salvador, Comas, Campoy, and Chaclacayo Districts.

According to the MRTA pamphlet, the targets were buses the government made available to people who wanted to break the nationwide stoppage.

Concerning last night's attacks, police said the dynamite sticks thrown by the terrorists damaged three bank branch offices in Lima's shantytowns and the new public registry building.

In Chimbote, 412 km north of Lima, two bombs damaged an inn and a water company office. Police reported they defused a car bomb in Chimbote, a fishing port and an iron and steel center.

According to the authorities, no terrorist organization has claimed responsibility for the dynamite attacks perpetrated in Lima or Chimbote. No victims have been reported.

Police also reported that the Employee Hospital last night received an anonymous phone call, warning that bombs had been planted in several rooms because of work done during the stoppage.

Police experts conducted a thorough search and no explosives were found in the hospital. The police said that this was a case of false-threat terrorism [terrorismo blanco].

JUDICIARY OFFICERS STAND TRIAL FOR CORRUPTION

PY261431 Lima Television Peruana in Spanish 0310 GMT 26 May 87

[Excerpts] Justice Minister Carlos Blancas today said that to date 80 employees of the National Civil Public Registry Office [Oficina Nacional de los Registros Publicos] are standing trial. He said that the supervisory committee, which is comprised of the Lima Lawyers Association, the National Federation of Lawyer Associations, and the Justice Ministry, will continue with its moralizing campaign inside the National Civil Registry Office.

Blancas talked about this issue after presenting in the Chamber of Deputies a long report on the situation in the National Civil Public Registry Office.

[Begin recording] [Blancas] We are determinedly fighting immorality, corruption, and bribery in the Civil Registry Office. We have adopted many measures in the last few months, the courts are trying many employees and we have dismissed many others who harmed the image of our office. We are working hard to improve and modernize the system of this office. We want to moralize this office and others that form part of our judiciary system, because, as President Alan Garcia has said, the struggle for a moral revolution is an essential task for our administration. [passage omitted]

[Unidentified reporter] There are problems of immorality in the penitentiary system. What measures have been adopted regarding these problems? We understand that some penitentiary employees have been dismissed recently. Can you confirm this?

[Blancas] Yes I can confirm this. So far, within the reorganization framework of the National Penitentiary Institute, more than 300 employees and administrative personnel have been dismissed. These dismissals were made based on the recommendations of the reorganization committee. [end recording]

SALINAS MEETS WITH NAKASONE IN JAPAN, DELIVERS LETTER

FL261854 Mexico City NOTIMEX in Spanish 1546 GMT 26 May 87

[Text] Mexico City, 26 May (NOTIMEX) -- Carlos Salinas de Gortari, Mexican planning and budget secretary, met today with Japanese Prime Minister Yasuhiro Nakasone, to whom he delivered a letter from Mexican President Miguel de la Madrid.

In his letter the Mexican president requests Japan's cooperation so the international economic situation does not become an obstacle to Mexico's efforts for economic recovery.

According to a Japanese Foreign Ministry source, which provided no further details, De la Madrid also invited Nakasone to visit Mexico this year.

The Japanese prime minister said he valued the efforts made by the Mexican president and Secretary Salinas de Gortari to reorient the Mexican economy.

Nakasone told Salinas Gortari, who will travel to the PRC next Saturday, that his country will attend the upcoming Venice summit and propose a reduction in interest rates for debtor countries. The economic summit of the major industrialized countries (the United States, Japan, the UK, France, the FRG, Canada, and Italy) will take place 8-10 June in Venice.

PEASANT GROUP OCCUPIES DANISH, ITALIAN EMBASSIES

PA261857 Paris AFP in Spanish 1836 GMT 26 May 87

[Text] Mexico City, 26 May (AFP) -- Mexican peasants peacefully occupied the embassies of Denmark and Italy here today to protest the Mexican Government's attitude, the Emiliano Zapata Eastern Democratic Front of Mexico (Frente Democratico Oriental de Mexico Emiliano Zapata), has told AFP.

Felix Cruz, press attache of the Front, said the occupation is "a means to pressure the Mexican Government to punish those responsible" for the massacre of Indians last 24 April in Veracruz.

BRIEFS

DRUG TRAFFICKERS DETAINED -- In Caborca, Nogales, Guaymas, and Agua Prieta, all in Sonora State, the Federal Police confiscated heroin, cocaine, and marijuana worth 185 million pesos and detained 15 drug traffickers. In Tamaulipas, the police seized 1 ton of marijuana worth 100 million pesos in the black market and detained several people. [Summary] [Mexico City EXCELSIOR in Spanish "IN THE STATES" insert 26 Apr 87 pp 1, 2 PA]

POLICE DESTROY MARIJUANA -- Hermosillo, Sonora, 28 April -- The Federal Judicial Police have burned 8.5 tons of marijuana planted on seven irregularly shaped lots covering an area of 70,000 square meters in the town of Yecora. Gabriel, Bernardo, and Baltasar Ayon; Ruben Arvizu Bond; Sabino Ayotineo; and Sostenes Valenzuela Garcia were arrested during the operation, which was directed by Second Commander Francisco Javier Moreno Pesqueira. The action was described as one of the sharpest blows against drug trafficking in Sonora. [Text] [Mexico City UNOMASUNO in Spanish 29 Apr 87 p 11 PA]

NICARAGUAN CAPTAIN, FDP DISCUSS INTELLIGENCE WORK

PA270320 Panama City Domestic Service in Spanish 1530 GMT 24 May 87

["Timely Approach" feature]

[Text] On instructions from the General Command of the Defense Forces of Panama [FDP], the majors in command of FDP zones and garrisons gathered for 3 days at the Military Recreation Complex [Complejo de Recreacion Militar] to attend a seminar on national intelligence.

Colonel Bernardo Barrera, G-2 of the General Staff, opened the seminar and briefed middle echelon officers on the overall agenda. Captains (Ruben Rodriguez) and (Miguel Nieto) and Major Luis Carlos Samudio broadly analyzed the status of intelligence in our nation and the overall status of intelligence in the region before the zone and garrison commanders.

The seminar agenda was divided into three parts. Tuesday was devoted to the lectures by Captains (Rodriguez) and (Nieto) and Maj Samudio. Wednesday was devoted to working in groups. On Thursday, the zone and garrison commanders outlined and assessed the status of intelligence in their respective geographical areas. The officers deeply analyzed the country's political parties, like the Christian Democratic Party, the PAPO [Popular Action Party], the Authentic Panamenist Party, and MOLIRENA [Nationalist Liberal Republican Movement], among others, and discussed the international support [they received] and their search for assistance from the superpowers.

In their evaluations, the work teams reached consensus on the status of national and regional intelligence and on institutional doctrine. At Nicaragua's request, the FDP middle echelons received the Nicaragua chief of military intelligence, Captain Ricardo Wheelock, for a briefing on the status of the war Nicaragua is waging against the so-called contras.

[Begin Wheelock recording] This type of war is preeminently political and elements in it — the political, economic, and diplomatic, as well as all the pressures — are aimed exclusively at bankrupting Nicaragua. This is to be done not only by military means, but basically through economic, political, and diplomatic means. [end recording]

These are the things that give Panama the authority [vigencia] and stature to listen to parties in conflict and develop a balanced view of the overall situation in the region. [sentence as heard]

During the seminar on national intelligence, the members of the FDP's General Staff and high-ranking officers were present. General Manuel Antonio Noriega, commander in chief, praised the FDP's work in regard to intelligence problems.

[Begin Noriega recording] What we have done here is not reshape a particular doctrine but maintain it. All topics of the workshop [laboratorio] held here, which were outlined and listed by Col Barrera, were discussed by all of us using the same criteria, which are the same criteria. [as heard] The workshop could have been held by Group No 1 in Darien, Group No 4 in Chiriqui, or Group No 3 in Colon, for instance, and the results would have turned out to be the same -- free of any [outside] influence. This is the main success of the work you have done. The unity of criteria emerged when this work was completed. We can be certain that when Gutierrez [not further identified] is ready to leave for Bocas del Toro and Herazo [not further identified] for Darien they will be fully up-to-date on the political situation, the political strategies, and the intelligence mechanism that has operated in Cocle, Los Santos, Herrera, and Chiriqui Provinces. This is another success. It is the updating of the Armed Forces men, of the Armed Forces leaders, of the zone commanders. Updating. The updating allows one to make decisions rapidly and with the least possible risk of failure. [end recording]

After the interesting talk over the status of the war Nicaragua wages against the contras, a part of the seminar on national intelligence for middle echelon officers, Capt Ricardo Wheelock and Gen Noriega with his general staff, toasted the friendship of the two countries.

DISTURBANCES IN COLON; OFFICIALS ON STRIKE

PA222246 Panama City Televisora Nacional in Spanish 0000 GMT 22 May 87

[Recorded passages within quotation marks]

[Text] Today, Colon experienced disturbances because of the bad social situation faced by that province. Here is a special report:

Desperate because of a deterioration in public services, the mayor and the 14 councilmen of Colon declared themselves on a hunger strike for an indefinite period. In the meantime, students and criminals stoned businesses and state agencies and carried out vandalism.

Following an open meeting at the city outskirts, the municipal officials began their hunger strike to draw the central governments' attention to the lack of resources to repair hospitals, schools, and streets, as well as houses.

The Colon officials' action forced Acting President Roderick Esquivel to send Planning and Economic Policy Minister Ricaurte Vasquez and Government and Justice Minister Rodolfo Chiari De Leon to Colon to talk with the striking officials. The meeting was held in France Field shortly after noon. Legislator Argenida de Barrios talked with TV-2 [Televisora Nacional] after the meeting:

"What did we ask for? We called for a joint meeting in Panama where the Colon people will be told about the exact figures and projects that will be carried out with the economy today. [sentence as heard]

Meanwhile, Colon Mayor Juan Fidel Macias said: "It is a shame that it is us, members of the government team, who have to adopt an attitude of force and pressure so the government can listen to us. As Colon residents, we feel that on many occasions the national authorities have forgotten Colon."

Minister Chiari referred to the disturbances:

"We deplore what occurred in Colon today. We are asking the governor, as the top authority of the Government and Justice Ministry in the province, to keep close contact with Major Sieiro [Chief of Battalion 2000 - Panamanian Defense Forces] to try and keep order as much as possible so this morning's incidents will not occur again."

Meanwhile, Legislator Antonio Ardines Ibarra said:

"I think the state can do more. I ask the central Government to do more for Colon; we deserve better treatment. However, I cannot accept when it is said the state has not done anything for Colon's housing problem. This is not true."

Mayor Macias and the councilmen, most of them PRD [Democratic Revolutionary Party] leaders, have decided, for the time being, not to block one of the canal locks as a measure of pressure. In the afternoon, they went to Panama City to meet with government authorities at the Presidential Palace.

The Defense Forces' garrison in Colon was stoned during today's disturbances. The authorities arrested some students and criminals carrying out vandalism.

NORIEGA, NATO'S GALVIN REPORTEDLY MEET IN COLOMBIA

PA261930 Panama City EXTRA in Spanish 25 May 87 p 6

["People and Events" column]

[Text] Over the weekend, General Noriega met in Colombia with NATO Supreme Commander General John Galvin. Although the purpose of the meeting was not revealed, EXTRA has learned that they met to coordinate an upcoming operation in the Colombian-Panamanian border area.

BRIEFS

NEW AMBASSADOR TO COLOMBIA -- On 13 May, Raul Roger Ruiz presented his credentials to President Virgilio Barco Vargas as new Panamanian ambassador to Colombia. Roger Ruiz replaces Jorge Ritter. [Summary] [Panama City EXTRA in Spanish 18 May 87 p 8 PA]

EL SALVADOR

BISHOP DISCUSSES TALKS WITH 'GUERRILLAS'

PA261630 San Salvador Canal Seis Television in Spanish 2330 GMT 24 May 87

[Report by Joel Burgos; quotation marks denote Rosa Chavez recording]

[Text] San Salvador Auxiliary Bishop Msgr Gregorio Rosa Chavez said in his Sunday homily that the church is continuing to work for the humanization of the country's conflict.

Rosa Chavez, speaking in place of Archbishop Arturo Rivera y Damas at the Sunday mass, said the church continues to help wounded guerrillas to leave the country. The petition of the rebel group was presented by the church and the International Red Cross to President Duarte, who recently announced that he is willing to let the wounded guerrillas leave the country.

"The church continues its work. It is presently dealing with two equally important humanitarian issues: the departure of approximately 100 wounded FMLN guerrillas from the country, and the release of the San Cayetano and Mercedes La Ceiba mayors."

Msgr Rosa Chaves, who said he is in touch with the rebel leaders, stated after the homily that the mayors kidnapped by the guerrillas may be released shortly. "We have repeatedly stated our position on kidnapping to the guerrillas. They know our position very well. We have been discussion the release of the two mayors with the guerrillas. Judging from their replies, I believe this whole problem will be resolved shortly."

According to Rosa Chavez, advancements are being made in the humanitarian sphere. However, the dialogue reached a standstill following the foiled attempt at a meeting between the FMLN and the government at the end of 1986. The only solution would be the national debate proposed by the church, in which some sectors have agreed to participate.

Concerning peace in Central America, Msgr Rosa Chavez defended the much-criticized Arias plan, which may be discussed next month in a summit attended by Nicaraguan President Daniel Ortega.

FMLN DECREES TRANSPORT STRIKE FOR 25 MAY

PA261355 (Clandestine) Radio Venceremos in Spanish to El Salvador 2300 GMT 25 May 87

[Communique issued by the FMLN General Command; dated 25 May]

[Text] The FMLN General Command -- in the framework of our military campaign: For the achievement of bread, work, justice, and freedom, all people take up arms -- decrees a transport strike as of Monday, 25 May. This strike covers all the cities throughout the national territory as well as all main and secondary roads.

We ask urban, interurban, and international transport people to obey this disposition throughout the cities and roads. Our forces will take notice of the transport units that do not obey this disposition. Those units will be sabotaged even after the conclusion of the strike.

The decision to expand the strike to the cities has been made in the framework of our growing military activities and is an expression of our rejection of 3 years of Duartist government, of antipopular packages, and of threats of more repression against the popular movement.

Duarte and Yankees: Out of the government!

We call on urban commandos, the militia, and the clandestine guerrillas in the cities and the countryside to strictly enforce this disposition.

FMLN General Command, 25 May 1987

FMLN STAGE COORDINATED NATIONWIDE ATTACKS ON ARMY

PA221925 (Clandestine) Radio Venceremos in Spanish to El Salvador 2300 GMT 21 May 87

[Text] Over the past several hours the FMLN staged coordinated nationwide attacks on enemy positions, as part of the "For the achievement of bread, justice, work, and freedom, all people take up arms," campaign.

These actions include: attack on a National Police position in Morazan Department; ambush on reinforcements of Military Detachment No 4 of San Francisco Gotera -- we caused 32 casualties in this action, including the captain who commanded the Ronald Reagan Battalion, better known as the Beltran Luna Battalion, who was killed; attack against a unit guarding artillery emplacements in the city of Suchitoto, where we caused 19 casualties; annihilation attack in La Tortuga canton, Tejutepeque jurisdiction, Canabas Department, where we inflicted 5 casualties on the enemy; ambush on the Pan-american Highway in the area of Villa El Triunfo, where we caused 17 casualties; in Ilobasco, an important sabotage action during which we cut the main line on Colorado Hill in Cabanas Department, and the occupation of San Juan Tepezontes, where we sabotaged the townhall and the offices of ANTEL [National Administration for Telecommunications] and annihilated a sergeant acting as commander of the paramilitary forces there.

These are the preliminary reports on nationwide actions. The coordination of our continuous efforts caused almost 100 casualties to the troops of the puppet Army over the past several hours. The number of casualties in the first reports received by Radio Vencermos total close to 100. These include the killing of the captain commanding the Ronald Reagan or Beltran Luna Battalion in San Francisco Gotera.

Station Presents Weekly Report

PA261405 (Clandestine) Radio Venceremos in Spanish to El Salvador 2300 GMT 24 May 87

[Excerpts] We now bring you a report on our military actions throughout this past week. The results speak for themselves concerning the levels of organization and fighting spirit of the Salvadoran people, who have said: We have had enough of Duarte's lies, enough of treason, enough of corruption, enough of the repression against the workers. [passage omitted]

We have inflicted 214 casualties on the troops that defend the interests of the oligarchy. Just in case [words indistinct] did not listen well, we will repeat it: 214 casualties -- including dead and wounded -- during various actions, ambushes with revolutionary mines, attacks on villages and towns, clashes with enemy troops, ambushes with rifle fire, attacks on artillery positions, and attacks on paramilitary posts of the ill-named security corps.

During this past week, our forces demonstrated their capabilities to carry out important and coordinated actions, which left a toll of many casualties; we recovered weapons, destroyed military installations and equipment, and dismantled important enemy units. The guerrilla ambushes terrorized Blandon's troops during this past week. The troops sustained 107 casualties as a result of this effective manner of combat. Our guerrilla units and clandestine militias carried out aggressive actions.

Radio Venceremos reported that during the week 17-23 May, we recovered the following armaments: 20 M-1 carbines, 3 M-18 [as heard] carbines, over 2,800 cartridges of various calibers, 35 military (?belts), and 1 pair of binoculars. We also destroyed three military trucks and damaged another one with our powerful people's mines. We also destroyed one local garrison, one municipal mayor's office, and one ANTEL [National Administration for Telecommunications] office. Our forces also destroyed several 120-mm mortars, and 105-mm cannons that blew up when we attacked enemy positions in Suchitoto. [passage omitted]

The Duarte economy also sustained more destruction: Our units destroyed one electric tower, four energy transformers, three tractors, and one [words indistinct] machine in San Salvador Department. [passage omitted]

FAL MEMBER DISCLOSES URBAN TERRORIST PLANS

PA230235 San Salvador EL DIARIO DE HOY in Spanish 22 May 87 pp 2, 36

[Text] A terrorist member of the so-called Armed Forces of Liberation, FAL, in charge of metropolitan area operations, disclosed to the Treasury Police criminals' plans to disrupt public order in San Salvador.

After he testified at the security force's qaurters, Jose Leonidas Gaitan Yanes was turned over yesterday to representatives of the Human Rights Commission for them to send him to his relatives or any place he chooses.

Gaitan, who is about 30, joined the Communist Party in 1978 when he was still a student at the Isidro Menendez National Institute in San Miguel. At that time, he was assigned to the so-called Nationalist Democratic Union, UDN, the Communist Party's rank-and-file group.

Terrorist leaders sent him from San Miguel to San Salvador. In this city he visited the places where active cells operated, namely, Cerros de San Pedro in San Vicente, Guazapa hill in San Salvador, and the slopes of San Salvador volcano.

Gaitan has visited Cuba and Nicaragua to get instructions on how to manipulate crowds during city demonstrations and conceal weapons by covering them with colored paper, like the sticks carried by the young men who lead demonstrations. He said those sticks with streamers are actually fitted with nails. These sticks can become weapons if necessary. With rages attached to their ends, they can become torches to cause fires.

Gaitan is known among terrorists as Captain Isaac. Messages and instructions from leaders are addressed to him in this name.

He has also taught at the so-called Political Indoctrination School that the terrorists operated in Los Ayalita at the base of San Vicente volcano. Also, he participated in the "summit meeting of the top terrorists' leadership" in Perquin and Torola, Morazan Department, last year, which was also attended by Jorge Shafik Handal and Joaquin Villalobos, among others.

At the time of his release, Gaitan signed a statement in the presence of Treasury Police agents and officers.

DIARIO LATINO TO BECOME MORNING NEWSPAPER

PA241958 San Salvador DIARIO LATINO in Spanish 22 May 87 p 9

[Excerpt] The new schedule of electric power cuts is adversely affecting DIARIO LATINO, and we are forced to shut down our edition between 0800 and 0900 in the morning. That is to say, the CEL-CAFSS [Lempa River Hydroelectric Executive Commission Electric Light Company of El Salvador] is making it impossible for us to remain an early evening paper, a paper that has been characterized as one that gives its readers the current news of the day.

Power is restored at 1500. If we waited until then, we would become a nightly paper in a country that -- at least on work days -- because of the armed conflict, is oriented to the day and spends nights sleeping.

The emergency, therefore, forces us to change a tradition of almost 100 years, and to be out on the streets early in the morning.

DIARIO LATINO will become a morning newspaper on Tuesday, 26 May [passage omitted]

GUATEMALA

VENUE OF PRESIDENTS' SUMMIT MAY CHANGE

PA261744 Panama City ACAN in Spanish 1926 GMT 25 May 87

[Excerpt] Guatemala City, 25 May (ACAN-EFE) -- An official source reported that the "summit" of Central American presidents will not be held in Esquipulas because "the church is opposed to holding it at the cathedral" of that eastern Guatemala city.

Foreign Minister Mario Quinonez Amezquita stated that President Vinicio Cerezo will decide if the meeting of Central American presidents will be held in Guatemala City or in Antigua Guatemala, 45 km west of the capital.

Several Catholic groups and parishioners asked metropolitan Archbishop Msgr Prospero Penados del Barrio and the Esquipulas prelate, Msgr Rodolfo Quezeda Toruno, not to lend the "Black Christ's" cathedral for a "political meeting."

The Central American presidents' summit, set for 25 and 26 June, will analyze Costa Rican President Oscar Arias' peace project, which was proposed by Jose Azcona Hoyo and Jose Napoleon Duarte to Cerezo in February.

The Central American presidents met for the first time in May 1986 in Esquipulas, 222 km east of Guatemala City, to analyze the regional situation and the Central American parliament project proposed by Cerezo.

Foreign Minister Quinonez Amezquita said that Guatemala City as well as Antigua Guatemala both "have the infrastructure to lodge the Central American leaders and the delegations that attend the meeting." [passage omitted]

URNG REBEL RADIO VOWS TO INFORM PEOPLE

PA231357 (Clandestine) La Voz Popular in Spanish to Guatemala 0015 GMT 23 May 87

[Text] You are listening to the first broadcast of La Voz Popular, the radio station of the URNG, directed to all Guatemalan people. You are tuned in to us on shortwave [words indistinct]. We broadcast on Friday at 1815. We will report on URNG military activities [passage indistinct]. [Guatemala City EL GRAFICO in Spanish on 22 May 87 in a similar report adds: The station can be tuned on the 7 MHi frequency on the 42 meter band (short wave).]

What will La Voz Popular talk about? La Voz Popular will tell our people what they need to know. It will report on what is happening among us and why it is happening. Our people will be well-informed and oriented, as will the other people of the world, because President Vinicio Cerezo says one thing when he is abroad, while something quite different is happening in Guatemala.

In fact, democracy only exists on the lips of the president and the ranking government officials. For the people, what exists, now more than ever, is hunger, unemployment, illiteracy, sickness, the high cost of living, and repression. La Voz Popular will speak about all of this. It will also speak about what th new civilian government has done and what it is incapable of doing. La Voz Popular will speak of worn-out promises on paper, demagoguery, and words that do not fool anyone, because they are as different from reality as night is from day. We will speak of a civilian government that talks a great deal about concerted efforts [concertacion], but which has only made concerted efforts with the Army High Command, with some sectors of the oligarchy, and with the interests of the Reagan government in the region.

This is a civilian government without any real power, which entered into a pact with the military high command, and it is that high command which in reality continues to govern the country. It is a counterinsurgency high command that continues kidnapping, torturing, and murdering now with the consent of President Vinicio, its general commander.

La Voz Popular will speak about the true path to our liberation, the path of the people's revolutionary war, which our people have been waging for years. This URNG station will report on the progress in the people's war throughout the country and in each of the URNG's guerrilla fronts.

HONDURAS

LOPEZ, SALVADORAN MINISTER DISCUSS BORDER ISSUE

PA261507 San Pedro Sula TIEMPO in Spanish 23 May 87 p 8

[Text] Tegucigalpa -- The decision of the Honduran and Salvadoran Governments to take their border disputes to a five-judge International Court of Justice board will result in a ruling within 2 years, the foreign ministers of the two governments said yesterday.

Honduran Foreign Secretary Carlos Lopez Contreras and Salvadoran Foreign Minister Ricardo Acevedo Peralta met yesterday in Tegucigalpa to review previous procedures contributing to the integration of the five-judge board that will study the case.

The Salvadoran minister pointed out that the agreement reached with Honduras on the five-judge board will accelerate the process, and added: "Everything is taking place in accordance with the general peace treaty."

Referring to specific points of yesterday's meeting with his Honduran counterpart, Aceveda Peralta said the mechanism for future consultations, as well as deadlines for documents backing territorial claims will be reviewed.

The dispute is over 418.6 square km along a sector of the 343-km common border, plus a portion of the Gulf of Fonseca, which is also shared by Nicaragua. Acevedo Peralta stated: "El Salvador, as Honduras has been able to establish, has taken seriously its contractual obligations, especially those from the general peace treaty."

The Honduran people, he said, "can be certain that El Salvador will strictly obey the ruling regardless of its nature."

He added: "We hope Honduras will do the same, as their government has promised."

The minister said that "since President Jose Napoleon Duarte took office, a great effort has been made." He praised the "positive decision to choose a prestigious special forum" to study the case.

He added: "I believe that soon, in less than 2 years, we will resolve the differences."

During a brief conversation with TIEMPO, the foreign secretary of Honduras said the conflict with the Salvadorans will be resolved "in less than 2 years."

NICARAGUA

FSLN SEEKS ERADICATION OF ILLEGAL TRADE

PA261720 Managua Radio Sandino in Spanish 1200 GMT 25 May 87

[Text] Representatives from mass organizations and labor unions attending the first national assembly on social control of production and distribution, said that the social [words indistinct] of products is not solely a task for the government, but for organize groups to guarantee efficiency in supplying meager resources from the national economy. They reiterated that it is feasible to control economic attrition caused by the war of aggression.

Participants of the social control assembly promised to struggle against the informal speculative sector by exerting permanent controls over the distribution of the products by laborers, manufacturers, and farmers. They promised to support the state by organizing distribution, exerting control to eliminate the deviation of consumer goods, and acting decisively in reducing illegal trade.

The mass organizations' efforts are a blow to the concepts of a paternalistic government. Several sectors still advocate this, and expect the state to supply everything and [word indistinct] of the people's ability to participate and carry out tasks that, according to them, can only be carried out by the state.

Commander of the Revolution Jaime Wheelock Roman, national coordinator of the Standard of Living Commission, urged the working class to exert effective social controls over products and inflation, which has worsened because of the international economic crisis and the war of aggression.

Addressing the 1,000 founding members and representatives from the mass organizations and labor unions who attended the first social control assembly, Minister Wheelock said inflation will not wane as long as U.S. aggression continues. He urged the people to confront this difficult situation. He stated that as a result of low international export prices, the national situation will grow increasingly difficult because we will not be able to collect sufficient foreign exchange to improve the economy. Wheelock added that these limitations will lead to greater difficulty in supplying consumer goods. He announced measures aimed at improving collection and production controls to improve distribution and to defend the workers' incomes through a policy of periodic salary readjustments, which will partially reduce the deterioration of the standard of living. These social controls will also decrease the country's inflation rate.

The new government measures supported by the people are aimed at exercising social control, and will constitute an organized struggle to guarantee products within current economic limitations resulting from the U.S. war of aggression. Social control will allow the establishment of new, efficient mechanisms to allow products to be received through specific channels, thus avoiding speculation at the marketplace.

Upon closing the assembly, Commander of the Revolution Luis Carrion Cruz said that participation in these tasks is not only a necessity to improve supply but a duty in the defense of the fatherland. Carrion explained that there are not enough products to satisfy the demands of all the sectors because the war has caused a decline in export products and the availability of services.

The almost 1,000 participants at the meeting reiterated that it is feasible to establish [as heard] the economic attrition with greater commitment and sacrifice by increasing production through increased organization to neutralize effective illegal trade.

PCD'S COORDINATOR RIVAS SEEKS PARTY UNIFICATION

PA261830 Managua Radio Sandino in Spanish 1200 GMT 25 May 87

[Text] Rafael Cordova Rivas, general coordinator of the Democratic Conservative Party [PCD], began a hunger strike yesterday that will end on Saturday. Cordova is seeking what he describes as the unification of the conservative family. He made the announcement to the media after the party's national plenum, where dozens of PCD leaders gathered at party headquarters. Cordova Rivas said the hunger strike is an effort to force dissident factions to join his party. He said the strike will last 1 week. However, he will organize a 12-15-day strike with other members of the party's directorate if the 1-week strike does not yield results.

The PCD's national plenum postponed the party's 21 June grand national convention to 30 August, Cordova Rivas announced yesterday. He added that the decision was made because the PCD is in a state of alert because of difficulties with other party factions. He pointed out that in addition to lack of unity within the PCD, there are other factors that influenced the postponement of the national convention. He accused the Alpha Omega Publicity [Publicidad Alfa Omega] of what he described as bad publicity for the meeting. Cordova Rivas also announced the PCD's revitalization.

[Begin Cordova Rivas recording] The resolution, issued by [words indistinct] who held a meeting today, states that the convention scheduled for 21 June has been postponed to 30 August. The party is in a state of alert, a state of caution, because of the difficulties that have emerged. The convention had to be postponed because of propaganda and other reasons. The plenum was well attended. We made this resolution, and we will continue to move forward. Various activities are already being distributed among departments. I did not tell other reporters, but will tell you this now: We want the Sandinist authorities to know that we, the PCD, will reorganize. This reorganization is a revitalization of the party and not all dangerous. I do not say this out of fear, but because there are some people who are very square [cuadrada] and do not understand these things. [end recording]

PLI'S QUINONEZ SEEKS PARTY UNIFICATION

PA270329 Managua Radio Sandino in Spanish 1200 GMT 25 May 87

[Text] New actions to unify and democratize the PLI [Independent Liberal Party] were announced yesterday by Orlando Quinonez. Quinonez said that in response to the domination and desire for political power that PLI President Virgilio Godoy has, the movement will demonstrate it can stay alive with its basic principles.

[Begin recording] [Quinonez] I am tired of repeating that PLI leaders who disagree with Dr Virgilio Godoy's group have not violated any of the party's statutes, nor has the Godoy group been able to demonstrate this. The ridiculous trial of the deputies who signed the constitution has been filed away and even if Dr Godoy says the trial will continue it is a lie because the case has been closed. Dr Godoy knows that the large majority of Independent Liberals abhors any internal party decision that is applied to members who disagree with actions of party leaders who are criticized like Godoy.

The internal PLI criticisms of Godoy have been that as president he has never wanted to report on the international aid received. It is not that we believe the funds have gone into the pockets of ranking PLI leaders; this is not the case with the funds he manages nor those managed by the unity movement. We simply want to know exactly what aid we received and how it has been invested. It is not that we want a single person to manage the funds and do with them as he pleases. This is one of the points.

Another point is that despite the fact we receive international aid, not a single member of the Liberal Party currently pays dues or helps the party. We live off international charity. In these times a party cannot operate like this. A party should be financed by the dues paid by its own militants for its own growth and development. Another point is that despite the fact we receive considerable aid, the party has not grown. On the contrary, its membership has decreased and there are internal differences that prevent the party's decisions -- those currently promoted by the party -- from being obeyed.

I have called for unity so the party's leadership can be strengthened and the party can legally operate. This is not an effort to punish the party leaders by saying they have violated Liberal Party statutes because there has been no violation.

[Reporter] What measures will the PLI unification movement adopt?

[Quinonez] We will continue to insist on a political arrangement with Godoy's people. Godoy will not be able to hold the presidency -- as I have said before -- until next year when a new president will be elected. What he said about the unification movement leaders not being able to participate in these elections is false. There has been no expulsion, none of them have been punished, and furthermore, it seems as if he has involved me in his statements as if I were subject to sanctions.

I want to clarify to the Nicaraguan people that the people Godoy and his group are trying to punish because of a resolution that was approved by half the members who attended the assembly are the same members that signed the political constitution. At present I do not belong to the group that signed, and therefore I cannot be told that I am included. It seems as if the interview he gave was intended to lie, deceive, and confuse national public opinion. [end recording]

BORGE HEADS DELEGATION TO COPPPAL MEETING

PA261430 Managua Radio Sandino in Spanish 1200 GMT 25 May 87

[Text] The secretariat of the FSLN National Directorate informs its militants and the Nicaraguan people that Commander of the Revolution Tomas Borge Martinez will head the FSLN official delegation to the meeting of presidents and vice presidents of the Permanent Conference of Latin American Political Parties, COPPPAL, of which Commander Borge is a vice president.

The COPPPAL meeting will take place 26-27 May in Bogota, Colombia. Also comprising the Nicaraguan delegation are comrades Gustavo Moreno, deputy chief of the FSLN department of international relations; and Bolivar Diaz, an official from the same department.

[Signed] Secretariat of the FSLN National Directorate

WHEELOCK OPENS ASSEMBLY ON 'SOCIAL CONTROL'

PA241755 Managua Domestic Service in Spanish 1800 GMT 23 May 87

[Text] Commander of the Revolution Jaime Wheelock Roman, agricultural development and agrarian reform minister, today opened the first National Assembly of Social Control [control social]. More than 800 delegates from throughout the country are participating in this event.

The assembly seeks to improve the distribution and consumption of basic products with the support of the people. It also aims to draw up concrete organizational steps that will make social control a reality, Wheelock stated. After recounting the various ways in which our people were exploited during the Somozist dictatorship, Wheelock referred to the advanced in agrarian reform with the advent of Sandinist people's revolution. More than 100,000 Nicaraguan families have already benefited from its programs.

CONTRA LEADER SAYS FDN SPRINGS 'TRAP' ON EPS

PA230146 Panama City ACAN in Spanish 1837 GMT 22 May 87

[Excerpts] Tegucigalpa, 22 May (ACAN-EFE) -- A contra military leader reported today that the Nicaraguan Democratic Force simulated an attack in the Atlantic department of Zelaya that forced the EPS to launch an offensive that cost them $30 million.

The rebels' chief of military intelligence, called "Invincible Commander," told ACAN-EFE in Tegucigalpa: "We set a trap and the Sandinists fell for it under the advice of their Cuban advisors." The rebel leader said: "We infiltrated 600 men in northern Zelaya, between the Bocay and Amaka Rivers, allowed them to be detected by reconnaissance, simulated an attack on various vital points, and the expected happened: A large-scale Sandinist offensive." [passage omitted]

He also said the Sandinist mobilization was recommended by Nestor Lopez Sanchez, head of the Cuban advisers in Nicaragua. He added: "We estimate that the Sandinist offensive cost them about $30 million, because they used their entire Air Force to airlift troops."

The rebels claim they successfully downed two MI-17 helicopters, one of which was piloted by a Cuban.

ATTACK BY 'MERCENARIES' CAUSES POWER OUTAGE

PA261900 Managua Domestic Service in Spanish 1825 GMT 26 May 87

[Text] It is expected that the energy service in Region 1 will be reestablished this afternoon. This region was affected by terrorist actions carried out by the Somozist mercenaries.

Early Monday monring, a commando especially trained by the CIA blew up a high-tension tower, causing a power outage in several towns in the Departments of Esteli, Nueva Segovia, and Madrid. Workers of the Nicaraguan Energy Institute, INE, have been working very hard to repair the high-tension tower located near Cebaco.

RISQUET, SHEVARDNADZE HOLD WORKING MEETING

FL261235 Havana Tele-Rebelde Network in Spanish 1100 GMT 26 May 87

[Text] Jorge Risquet Valdes, member of the Communist Party of Cuba [PCC] Politburo and secretary for external relations of the PCC Central Committee, has had a working meeting with Eduard Shevardnadze, USSR minister of foreign affairs and member of the CPSU Politburo. The two leaders discussed the international situation and confirmed that their governments and parties hold fully identical views on questions of peace and disarmament. The working meeting took place at Shevardnadze's office in Moscow in the fraternal atmosphere that characterizes relations between Cuba and the USSR.

CASTRO ATTENDS PCC SPECIAL MEETING IN GUANABACOA

FL270107 Havana Television Service in Spanish 0000 GMT 27 May 87

[Text] At the beginning of this broadcast, our Commander in Chief Fidel Castro was participating in the third special plenum PCC Guanabacoa municipal committee in this capital. The meeting's main objective is to analyze the work conducted by the political organization in response to Fidel's requests.

Evidio Rodriguez, secretary of the PCC at that level, said that during the first 6 months of 1987, Guanabacoa had obtained better results compared to the same period last year. He urged party members present at the meeting to discuss matters regarding production, efficiency, and the progress of the rectification process in the territory. The first delegate referred to the production of Cubana de Bronce and its problems with raw material. Fidel was interested in that center's production, the social projects the workers have carried out with extra work, and the causes that prevent greater productivity. Fidel stressed matters regarding production and variety. He said:

[Begin Castro recording] If a certain amount and variety of goods has not been set for enterprises to produce, then we are lost, there is nothing left to do. We would have to modify prices every day and keep track of each one of the tens of thousands of different types of merchandise, so enterprises produce what they need to produce. Enterprises have to be told they have to produce this and that -- the quantity, variety, and quality of what needs to produce That's it, I don't see how development can be planned in any other way. [end recording]

7TH FARMERS CONGRESS BEGINS; CASTRO PRESIDES

FL151443 Havana Tele-Rebelde Network in Spanish 1357 GMT 15 May 87

[Text] The Seventh Congress of the National Association of Small Farmers [ANAP] has begun with the attendance of our Commander in Chief Fidel Castro Ruz, first secretary of the PCC Central Committee and president of the Councils of State and Ministers.

The most important even of the Cuban peasants will be held in the Palace of Conventions until 17 May. The closing session will be held that day in Havana's Karl Marx Theater.

For more information on this recently inaugurated event in the Palace of Conventions, we immediately turn our cameras and microphones to our comrade journalists covering this event:

[Unidentified announcer] This Seventh ANAP Congress is presided over at this moment by Commander in Chief Fidel Castro. After the national anthem was played, Comrade Orlando Lugo Fonte, president of the committee organizing the congress, referred to some of the aspects mentioned in the main report. He later called on all present at the congress to critically analyze all the deficiencies that exist in each cooperative.

The first delegate to speak was Comrade Elias Gonzalez from Ciego de Avila Province, who said that there have been positive results since the second national cooperative meeting held last year but there are still deficiencies that have to be eliminated and this congress should provide that opportunity. We are convinced that this is the way it should be, he said. He added it is time to end illicit sales and other negative attitudes.

More lustre should be given to our organization because the state has created the conditions for us and we cannot make demands of the state if we do not make demands among ourselves. Later, a comrade from the mountains spoke and he said it was necessary to recognize the developments achieved in that area but work must continue in this region and that is a task each member of the cooperative must perform.

Criticizes Retirement Policy

PA151845 Havana International Service in Spanish 1802 GMT 15 May 87

[Text] Cuban President Fidel Castro emphatically criticized today in Havana the errors that have been committed in the retirement policy for the Cuban peasant sector. During his first participation today in the Seventh ANAP Congress the top Cuban leader said for the past 4 years, retirement has been excessively abused, particularly by members of cooperatives. The error begins, Castro explained, with the false concept of wanting to increase the number of cooperatives by implementing a massive retirement policy for farmers, most of whom continue to work after [retiring], and receive two incomes.

He added one cannot have good intentions and philanthropic sentiments only, but realistic measures must be implemented according to the situation in the country, which already has to disburse 32 million pesos in excess of the revenues it receives from the agricultural sector for retirement. A moving moment during the first working session of the Cuban farmers congress occurred when a delegate praised Castro's role regarding his historic concern about improving the living conditions of the men and women of the Cuban countryside.

Discusses Retirement Problems

FL152018 Havana Radio Rebelde Network in Spanish 1700 GMT 15 May 87

[Report by Amado Cordoba Herrera]

[Excerpts] Commander in Chief Fidel Castro Ruz, PCC first secretary and president of the Councils of State and Minister, presided over the opening ceremony of the Seventh ANAP Congress.

In its report, the Documentation committee advised that the congress had begun with the attendance of 99 percent of the 805 delegates of whom 15 percent are women and almost 10 percent are members of the Union of Young Communists and the party. [passage omitted]

More than 10 delegates spoke during the moring session. They broached the subject of the rectification process and special emphasis was given to the distorted concept of retirement among the peasants. This topic prompted enlightening and clarifying remarks by Fidel.

[Begin Castro recording] Can we ignore the phenomenon caused by retirement? Can we truly ignore this? Speaking of the rectification process, can we ignore the fact we have distorted, or that the idea of retirement has been completely distorted? That the law created to help the peasants who are members of a cooperative has been distorted, massively distorted? I ask myself if retirement is a system to make more money or whether it is a reward for the worker, a way to give the worker some security. [end recording]

Several delegates, among them the president of the Aniceto Perez Agricultural-Livestock Cooperative, Comrade Orlando Gomez, expressed their support for Fidel's views:

[Begin recording] [Gomez] I think that this congress should propose the official elimination of anything that might encourage a member of a cooperative to retire.

[Castro] At least that which strongly encourages retirement.

[gomes] I think that this affects our...

[Castro interrupts] Possibilities.

[Gomez] This could be eliminated by activities to make the cooperatives highly productive. I think that this can be accomplished by consolidating the cooperative movement. Good cooperative work would counteract the current massive retirement. [end recording]

At the conclusion of this report, the delegates were studying the main report and the speakers were discussing the responsibility that the members of the ANAP have to produce the food that the country needs.

Analyzes Problems, Tasks

FL161205 Havana Radio Progreso Network in Spanish 1100 GMT 16 May 87

[Text] During a speech yesterday, Commander in Chief Fidel Castro analyzed the principal problems and tasks of Cuban peasants. Upon speaking at the evening session of the Seventh ANAP Congress, Fidel said that one must refer to several aspects when speaking of the rectification process and he called on the delegates to study these in detail.

In reference to this, Fidel pointed out the peasants' free market, the practice of partnershp, the tendency of some to abandon the land, absentee landlords, and the illegal occupation of land. He also discussed the progress of the distribution system, which has been influenced by the creation of the National Union of Collection/Distribution Centers and the measures that became effective after the second national meeting of agricultural-livestock cooperatives.

Fidel called on ANAP members to think about the various problems that have prevented, until now, the increased development of the land. The commander in chief said it was wise to abolish the peasants' free market and once again referred to the new markets that have emerged as a result of this. He said the peasant's free market had created intolerable conditions while the cooperative movement remained stagnant. After Fidel's analysis, the ANAP delegates discussed the topics he mentioned.

In general, the first day of sessions was characterized by the peasants' determination to continue toward their goal of progress with sure steps toward new forms of production. The congress will continue today at Havana's Palace of Conventions and will close tomorrow at the Karl Marx Theater.

Discusses Production Methods

FL162128 Havana Radio Rebelde Network in Spanish 2300 GMT 15 May 87

[Excerpts] The rectification process in the peasants' sector has characterized the discussions of the first day of work of the Seventh ANAP Congress. The delegates have focused on labor regulation and distortions of the sector's retirement system. [passage omitted]

[Begin Castro recording] It is not a matter of creating cooperatives to socialize land for the sake of socializing its production. Individual production in small plots goes against the application of the most productive techniques, of science in agriculture, irrigation. All those irrigation plans that guarantee production cannot be carried out if there is no large scale production.

Underscoring the importance of this new and better production method, the first secretary of the PCC noted:

[Begin Castro recording] It is not the same thing to analyze, discuss, and plan agricultural production in 2,000 large cooperatives as to plan, organize, collect what is produced among 150,000 or 200,000 independent farmers. You do not know how it will help to simplify work in agriculture when agricultural production is based on state enterprises and cooperatives. [end recording] [passage omitted]

Participates Actively

FL162359 Havana Radio Reloj Network in Spanish 1932 GMT 16 May 87

[Text] This morning's session of the seventh ANAP Congress presided over by our Commander in Chief Fidel Castro has ended. The first secretary of the PCC participated actively in this morning's session and expressed interest in learning what the members of the cooperative had done in order to produce more than 90,000 arrobas of sugarcane per caballeria in areas where this crop is grown. During a dialogue with a member of a cooperative from the mountain area of Santiago de Cuba, Fidel mentioned that since improvements in the living conditions were introduced, people have stopped moving away from the mountain areas and the young people are returning home after finishing their studies. Fidel also praised the engineers who have expressed a willingness to go to the coffee producing areas and the hundreds of family doctors who are working in the mountain areas of Santiago de Cuba and Guantanamo.

The sugarcane production in the cooperatives was discussed in-depth with the participation of Commander Fidel Castro, Sugar Industry Minister Juan Herrera, Agriculture Minister Adolfo Diaz, and a group of delegates. Manuel Lopez, member of the PCC Central Committee and a Cuban hero, was the first speaker of the day. Lopez talked about the problems experienced in the sugarcane sector. Lopez, who is also president of the 17 May Unit in Quibijan, Havana Province, talked about the problems encountered with certain varieties of sugarcane cutting machines. Following Manuel Lopez' remarks, our commander in chief expressed his interest in learning what is being done to promote new varieties of sugarcane and said more varieties must be created and they must be strong enough to withstand any kind of plague.

Commander in Chief Fidel Castro suggested to Eduardo Cruz, member of the Jesus Suarez Gayol Cattle Cooperative in Camaguey, that the cooperative use Siboney race cattle in order to achieve a greater milk production. Eduardo Cruz talked to Fidel about his cooperative adding that the milk production had been increased following the second national meeting of agricultural cooperatives. Fidel asked about the number of members in that cooperative, the quality of the land, equipment, and self-consumption. He pointed out the need for this cooperative to increase its production and reach the level of development of the cooperatives in the Jimaguayu milk basin. Cruz said this year the Jesus Suarez Gayol Cooperative will produce 1.8 million liters of milk and will build 15 new cowsheds.

Fidel Castro praised the 26 July Cooperative in Holguin for their its positive results in the sugarcane yield, the construction of homes, and its work in general. Fidel said this cooperative should be an example for the other cooperatives. Castro made this statement after talking with Alfredo Guerrero, president of the 26 July Cooperative, who informed the delegates of the cooperative's self-consumption plan, its day care center, and other important aspects of cooperative work. Fidel asked about the profitability of the cooperative, the family doctor plan in the area, the housing cost, and the incentives that will determine the return of the young people after they have finished their studies. Guerrero told Fidel the secret for the success of the cooperative is work and trust in the future of the cooperative system.

Discusses Electrification

FL162142 Havana Radio Reloj Network in Spanish 1800 GMT 15 May 87

[Text] In one of his many remarks during this morning's session of the Seventh ANAP Congress, Fidel Castro said that the process of electrification must be accompanied by the development of the cooperative movement and the rural areas because we will achieve nothing if we spend large sums of money only to provide the small properties with electricity. This was the commander in chief's answer to a delegate from a credit and service cooperative who was requesting the electrification of isolated houses located within a cattle area. Electrification, the president of the Councils of State and Ministers stressed, must be accompanied by the growth of the Agricultural-Livestock Cooperatives [CPA]. Otherwise, we will find ourselves with a highly developed power system and a prehistoric system of working the land. Another issue that was broached was the one regarding the [word indistinct] of areas. This is a problem that must be analyzed in a casuistic manner in order to help in the development of the area's plan. During the morning's session it was also mentioned there are some peasants who do not want their children, and other family members, to join the cooperative movement. They claim if they leave the farm the breeding of pigs, sheep, and other animals would be affected. A delegate stressed those who strongly oppose the creation of the CPA's are mostly technicians and engineers who owe their education to the revolution.

Some of the 800 delegates attending the congress said there are some peasants who do not sweat when working and who have lost their love for work. These are peasants who want the revolution to give them everything, yet they claim they are revolutionaries. A Granma Province representative said the best revolutionary is one who works and makes the land produce. He charged many peasants have joined the cooperative movement in order to claim their retirement and have not done a single minute's work since then. The low coffee yield was also discussed during the first session of the ANAP congress being held at the Palace of Conventions in Havana by Idalberto Cedeno, member of the Bartolome Maso Cooperative in Guantanamo. Cedeno said an increase in the coffee yield must be sought in science and improved techniques as well as in the proper attention of the coffee farms. The member of the cooperative in Guantanamo said better footwear is necessary for the mountain areas because the sneaker is not strong enough to endure the obstacles encountered in those areas. It is also not safe when the user is working on a slope. This increases the possibility of accidents. Other delegtes talked about the profitability of the cooperatives, work [word indistinct], and the proper use of a work day. Others discussed the issue of retirement.

BOUTERSE REJECTS RETURN OF NETHERLANDS' ENVOY

FL251814 Paramaribo International Service in English 1730 GMT 25 May 87

[Text] Government leader Bouterse said the former [Netherlands] ambassador to Paramaribo, Van Houten will in no way enter Suriname again. The government leader was reacting to remarks by officials both in Suriname and Holland urging the reappointment of Van Houten. This matter came to the head after the joint APC [African-Pacific-Caribbean]-EEC Mission visited both Suriname and Holland recently in an effort to help normalize relations between the two countries. One of the mission's recommendations was the restoration of diplomatic relations at the ambassadorial level. Earlier this year Van Houten was expelled from Suriname for interfering in the internal affairs of the country and for disseminating false reports on the actual situation in Suriname.

NETHERLANDS CHEMICAL WASTE DISPOSAL GROUP ARRIVES

FL261926 Paramaribo International Service in English 1730 GMT 26 May 87

[Text] The arrival of a 3-man delegation from Holland on Sunday has aroused the suspicion of the people of Suriname on the dumping of chemical waste in this country. The three trade union federations — C-47, CLO [Central organization for Civil Service Employees], and the Moederbond organized as (Rafacscur) — are strongly against the dumping of waste here and are determined to fight against this. The delegation from the chemical company (Meneta) wants to dump chemical waste from Holland in the upper Coppename area, in Suriname, for a yearly payment of $100 billion. Earlier the matter was rejected by government leader Desi Bouterse. While in Suriname the delegation will hold talks with the government, trade unions, political parties, the university and other institutions. Chairman of the (Atun de Com) University in Suriname, (Tatneburne), does not think an agreement will be reached with (Meneta) but he added there is no harm to listen to what the delegation has to say.

BRAZILIAN FOOD DONATION POSITIVE GESTURE

FL251817 Paramaribo International Service in English 1700 GMT 25 May 87

[Text] The Brazilian Government has made a donation of 15,000 food items to Suriname. The amount arrived today on a Brazilian Air Force aircraft. The consignment includes, among other things, sugar, powdered milk, sardines, and [word indistinct]. According to the Brazilian Embassy in Paramaribo, this gesture should be seen in the context of the positive attitude of the Brazilian Government toward the democratization process in Suriname. The donation will be distributed among the hospitals, nursing homes, orphanages, homes for senior citizens, etc.

SURALCO RETURNS TO ACARIBO BAUXITE MINE

FL251830 Paramaribo International Service in English 1730 GMT 25 May 87

[Text] The Suriname Aluminum Company [Suralco] is making preparations for the mining of bauxite in the Acaribo region. With this the company hopes to increase the supply of raw material to the aluminum factory in Paranam. Suralco management made this decision because the production of bauxite in the Moengo mines has become [words indistinct].

Mining activities in that area had to be stopped because of the fighting in eastern Suriname between the National Army and the Brunswijk Gang. The Acaribo mine was first exploited by Suralco in the fifties but was stopped when it was discovered that the ore had too low an aluminum content. However, the present conditions necessitate a return to this mine, said Suralco last week.

ARMY TO RETAIN FIRM GRIP DESPITE ELECTIONS

FL191824 Bonaire Trans World Radio in English 1130 GMT 19 May 87

[Text] The military ruler of Suriname, Lieutenant Colonel Desi Bouterse, has made it clear that, regardless of the outcome of elections in November, the Army will retain a firm grip on the country. In a speech on Sunday in Paramaribo, the capital, Bouterse made it clear that, regardless of the outcome of elections the Army will not, what he says: return to the barracks. Mr Bouterse, and several Army sergeants, ousted a civilian government in 1980 and has ruled without elections since.

BOUTERSE CRITICIZES DELIBERATING COUNCIL MEMBERS

FL262008 Paramaribo International Service in English 1730 GMT 26 May 87

[Text] Government leader Desi Bouterse has warned against empty promises of political leaders. In the wake of the upcoming general election, Bouterse was especially critical, mainly, of what he referred to as the insincerity of the partners in the top deliberating council. he accused them of making golden promises for the future, while presently they have the opportunity to realize many things, but are not doing so. During a meeting [words indistinct] last Saturday, Bouterse also made this point. The government leader said since the last elections were held 10 years ago a lot has been changed. He added the Surinamese people cannot be fooled so easily anymore as was the case in 1977.

CORRECTION TO BOUTERSE NEWSPAPER INTERVIEW

The following correction pertains to the item headlined "Brazil's O ESTADO DE SAO PAULO Interviews Bouterse," published in the 20 May Latin American DAILY REPORT, page U 1

Headline: Brazil's FOLHA Interviews Bouterse

Sourceline: Sao Paulo FOLHA DE SAO PAULO in Portuguese 17 May 87, p A/16 (changing source from O ESTADO DE SAO PAULO to FOLHA DE SAO PAULO)